

Types of Rental Agreements

RTA 2018: Section 8

The Residential Tenancies Act (RTA) restricts the types of rental agreements that are permitted. A periodic rental agreement refers to an agreement that recurs on a regular basis with no end date. A fixed term rental agreement refers to an agreement that has a defined start and end date. Knowing the type of rental agreement entered into as well as the start date of the agreement is important because different types of rental agreements have different notification periods for ending the agreement.

Periodic Term

A periodic term rental agreement can only be either week to week or month to month. The start of the agreement can be on any day of the week or month that is agreeable to the landlord and tenant. For example, in the chart below, Jane's week to week agreement extends from Tuesday of one week to Monday of the following week. Each Tuesday, Jane's rental agreement automatically renews with rent payable every Tuesday.

Jane's Week to Week Rental Agreement						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	\$\$\$ 3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21

In a month to month agreement, the month may be defined from the first to the last day of every month and renew automatically on the first of each month with rent payable on that day. However, as shown in the table below, it is also acceptable for the month to start on any day of the month. For example, in the table below, Phil's month to month agreement starts on the 3rd and extends to the 2nd of the next month. Such an agreement would automatically renew on the 3rd of each month with rent payable on that day.

Phil's Month to Month Rental Agreement						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	\$\$\$ 3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	1	2	3	4	5

Any periodic agreement that is less than one week will be treated under the RTA as a week to week agreement. Similarly, any periodic agreement that is more than one week and less than six months will be treated under the RTA as a month to month agreement.

Fixed Term

A fixed term rental agreement cannot be less than 6 months and not more than 12 months. Any fixed rental agreement that is signed for a period extending beyond 12 months will be treated by the *Residential Tenancies Act* as a fixed term for the first 12 months and then treated as a month to month thereafter.