

Termination Notice Early - Cause

RTA 2018: Sections 19, 20, 21, 22, 23, 24

Landlords and tenants may terminate a rental agreement early for the following reasons:

Landlords

- Non-payment of rent
- Material breach of the rental agreement
- Premises uninhabitable
- Failure to keep premises clean or repair damage
- Interference with peaceful enjoyment and reasonable privacy

Tenants:

- Material breach of the rental agreement
- Premises uninhabitable
- Interference with peaceful enjoyment and reasonable privacy

Termination for Cause Notice Requirement	
Issued by Landlord	
Non-payment of rent	Not less than 10 days after rent is late for five days
Material breach of the rental agreement	Not less than one month before the end of the rental period if tenant fails to remedy the breach within a reasonable time
Premises uninhabitable	Immediate
Tenant fails to keep premises clean or repair damage	Not less than five days after tenant fails to keep clean or repair damage within a time
Interference with peaceful enjoyment and reasonable privacy	Not less than five days

Termination for Cause Notice Requirement	
Issued by Tenant	
Material breach of the rental agreement	Not less than one month before the end of the rental period if landlord fails to remedy the breach within a reasonable time
Premises uninhabitable	Immediate
Interference with peaceful enjoyment and reasonable privacy	Not less than five days and not more than 14 days

Non-Payment of Rent

Before a landlord can issue a termination notice to a tenant for non-payment of rent, rent must be late by at least five days. If rent is late for five days or more, a landlord may issue a termination notice for the tenant to vacate the premises not less than 10 days after the notice is served.

If the rent and any assessed late fees are paid to the landlord before the termination date, then the termination notice is void. A termination notice may only be voided in this manner twice within a 12 month period. If this situation occurs a third time within the 12 month period, the termination notice is not voided even if the tenant pays all outstanding rent and late fees.

Material Breach of Rental Agreement

A material breach of a rental agreement may be a violation of a term or condition specifically identified in the rental agreement such as a "no pet" or "utilities included" condition. However, a material breach may involve something that is not specifically identified in the rental agreement. Further, what is considered a material breach is subjective and may be different from one case to another.

For example, if a tenant decides to rent a home because it has a working fireplace and the fireplace was one of the important reasons for the tenant deciding to rent this particular property, the fireplace is "material" or a significant factor in the agreement regardless of whether or not it is specifically identified in the rental agreement. To a different tenant, the existence of the fireplace in the same property may be of no importance and "immaterial" to the tenant's decision to enter into a rental agreement for that property.

In the first instance, if the fireplace were not working, it would significantly affect the tenant's ability to enjoy the property and be considered a material breach. In the second instance the functioning of the fireplace wouldn't impact the tenant's ability to enjoy the property and would not be considered a material breach.

Where a landlord commits a material breach of the rental agreement, the tenant may give the landlord written notice of the breach along with a reasonably time for the landlord to comply. If the landlord fails to comply within a reasonable time after the notice has been served, the tenant may give the landlord a notice of termination that is not less than one month before the end of the rental period if landlord fails to remedy the breach within a reasonable time.

Where a tenant commits a material breach of the rental agreement, the landlord may give the tenant written notice of the breach along with a reasonably time for the landlord to comply. If the tenant fails to comply within a reasonable time after the notice has been served, the landlord may give the tenant a notice of termination that is not less than one month before the end of the rental period if tenant fails to remedy the breach within a reasonable time.

Premises Uninhabitable

A rental premises may be considered uninhabitable when any of the following occurs:

- a municipal, provincial or federal authority determines the premises is uninhabitable;
- a municipal, provincial or federal authority orders that the premises be vacated for safety purposes;
- the landlord or the tenant causes utilities such as heat or water to be disconnected to the unit;
- premises become flooded.

Where the landlord fails to maintain a premises fit for habitation, the tenant may give notice that the rental agreement is terminated immediately.

Where a tenant causes the premises to become unfit for habitation, the landlord may give the tenant notice that the rental agreement is terminated immediately.

Failure to Keep Premises Clean or Repair Damage

The tenant has a responsibility to keep the premises clean and to repair any damage caused by a deliberate or negligent act of the tenant, an occupant or by a guest of the tenant.

Where the tenant fails to keep the premises clean or to repair any damages caused deliberately or by neglect, the landlord has a right to issue a notice to the tenant to make repairs within three days of receiving the notice. If the tenant does not make the necessary repairs within the limit set by the landlord, the landlord has a right to issue a termination notice requiring the tenant to move out within five days of receiving the notice.

Interference with Peaceful Enjoyment and Reasonable Privacy

Peaceful enjoyment is a principle in common law that means tenants have a right to peace, quiet and privacy in their homes. Additionally, landlords have a right to exercise their responsibilities and obligations as business operators.

Within the scope of peaceful enjoyment are the following rights:

- reasonable privacy;
- freedom from unreasonable disturbance:
- tenant's exclusive possession of the rental unit, (subject to the landlord's right to enter identified in the Residential Tenancies Act); and
- use of common areas (like hallways, yards or laundry facilities) for reasonable and lawful purposes, free from significant interference.

Peaceful enjoyment may also include the tenant's right to have guests, cook foods of their choice, play music at a reasonable level during acceptable hours, practice their religion, and have the use of all the services and facilities described in the tenancy agreement, maintained in good repair.

In a landlord tenant relationship, the landlord does not have the right to enter the tenant's premises without the consent of the tenant unless: (i) there is an emergency that requires entry; (ii) the landlord provides a written 24 hours' notice of entry to the tenants that identifies the date and time of the entry and information about the reason for the entry; or (iii) a notice of termination of the rental agreement has been given and the entry is at a reasonable time for the purpose of showing the residential premises to a prospective tenant or the purchaser and a reasonable effort has been made to give the tenant at least four hours' notice. When the landlord gives the proper notice to enter the property, the landlord does not need the consent of the tenant to enter the premises for the purpose stated. The landlord has a right to enter the property and to manage the property as an asset of the rental business.

A termination notice for interference of peaceful enjoyment may be issued when the violation is <u>ongoing</u>, outside of normal everyday living and caused by the landlord or the tenant or someone permitted on the premises by the landlord or the tenant. A single violation of peaceful enjoyment or interference with the rights of the landlord may also be sufficient cause to issue a termination notice if the violation is determined to be egregious.

A tenancy cannot be terminated due to disturbances over which the landlord or tenant has no control. To terminate for a tenant's violation of peaceful enjoyment and reasonable privacy, the landlord may give notice of not less than five days. A tenant may give the landlord a notice of not less than five days and not more than 14 days to terminate a rental agreement for the landlord's violation of peaceful enjoyment and reasonable privacy.

The termination notice form and content is determined by the Minister responsible for residential tenancies. The termination notices identified below and located in Appendix A of the Guide for Landlords and Tenants must be completed in full and in compliance with the *Residential Tenancies Act* to be considered valid.

Form: <u>Tenant's Notice to Terminate – Cause</u> Form: <u>Landlord's Notice to Terminate – Cause</u>