

Recent changes to *The Residential Tenancies Act*

There have been many changes to *The Residential Tenancies Act* in 2011, that affect both landlords and tenants. For example, there are new requirements for rehabilitation (renovation) work and also changes to the rules about giving notices. To help landlords and tenants understand these changes better, this issue of the newsletter explains many of the changes.

There have also been changes to *The Condominium Act* that affect how a building is changed from a residential complex

to a condominium corporation. There will be information about these changes in the next issue of the newsletter.

If you have questions about any of these changes, go to the Residential Tenancies Branch website; or call the branch office nearest to you.

New reasons for Tenants Ending a Tenancy

Tenants in fixed term tenancies (ex: one-year agreements) are usually responsible for the rent until the end of the tenancy agreement. In certain cases, tenants can end their fixed term tenancies before the end of the tenancy agreement. *The Residential Tenancies Act* has been changed to include three new situations that may allow a tenant to end the tenancy early.

If the unit has become inaccessible because of declining or changing health (ex: there is no elevator and the tenant is now in a wheelchair), tenants may give notice to end their tenancy early. These tenants can give one, full, rental payment period's notice. They must give their landlord a certificate from a doctor saying that they can't live in their units anymore. This change must be long term (ex: not a broken leg that will heal).

Tenants who are victims of domestic violence or stalking and believe their safety or the safety of their dependent children is at risk if they stay in the unit, can end their tenancy early. These tenants can give one, full, rental payment period's notice. They must provide a certificate from Victim Services of Manitoba Justice confirming there is a reason to end the tenancy agreement.

A tenant, or the spouse of a tenant, who is a member of the Canadian Forces or who is a Reserves member and is posted to a location at least 50 kilometres from the rental unit, may give notice to end the tenancy. These tenants can give one, full, rental payment period's notice if they get less than three months notice of their change in posting. If they get over three months notice of the change in posting, they must give their landlord three rental payment periods notice to end the tenancy. They must give their landlords a certificate, approved by the branch, from an official with the Canadian Forces or Reserves confirming the transfer.

For more information on ending a tenancy, contact the branch office nearest you, or go to the branch website.

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Fee and Cost Changes

Effective November 1, 2011

Late payment fees

The daily late payment fee is now \$2. The first day remains at \$10, with the maximum charge staying capped at \$100.

NOTE: Landlords must calculate late fees owing before November 1, 2011 at the old rate.

NSF fee

The fee a landlord can collect for an NSF cheque received on or after November 1, 2011 is \$60 per cheque.

Application for Above Guideline Rent Increase

19 units or fewer – \$150

20 units or more – \$500

Administration fee for redirecting rent

\$150 plus \$5 per unit for every month the order is in effect and rent is collected

Allowable hearing costs

\$65.00 for a compensation order hearing

\$110.00 for an order of possession hearing

For larger claims, people can claim up to 10% of the amount awarded, if they can prove their costs were that high.

Rehabilitation schemes

Extending the life and quality of a complex

Landlords who want to renovate their complexes may qualify for a program called a rehabilitation scheme. The purpose of the program is to extend the life of residential complexes and improve the quality of rental units for tenants. Recent changes to *The Residential Tenancies Act* require landlords to complete two major improvements to a complex, plus improvements to the rental units, to qualify for a rehabilitation scheme. This means that they must do major improvements to two of the following:

- structure
- electrical wiring
- plumbing
- heating
- insulation and thermal efficiency

Once the work is done on a rehabilitation scheme, landlords receive an exemption from rent regulation for a set period of time. During the exemption period, they are not bound by the annual rent increase guideline. However, they can only raise the rent once per year and give tenants three months' notice of the increase.

The length of the exemption period landlords receive depends on the amount of money they have spent on renovations. The

branch totals up the amount spent on the complex and divides it by the number of units in the complex, to get the amount spent per unit. This amount determines the length of the exemption period.

The rules now require landlords to spend:

- \$9,000 – \$11,999.99 to receive a two year exemption
- \$12,000 – \$14,999.99 to receive a three year exemption
- \$15,000 – \$16,999.99 to receive a four year exemption
- \$17,000 or more to receive a five year exemption

There are also changes to the form landlords need to fill out to apply for a rehabilitation scheme exemption. Landlords who are interested in applying should look at the new form to find out what's required for major improvements.

Landlords who receive an exemption cannot register their complexes as condominiums for four years from the date the exemption begins. The branch will register a notice on the title of the complex, showing that an exemption has been granted and that a condominium declaration cannot be registered.

If you have any questions about rehabilitation schemes, contact the branch office nearest you or go online to our website.

Tenant Services

A new type of rental complex has become popular in Manitoba. It is apartment-style living with added amenities or services. These complexes are for people who are able to live independently but want added services. The services, provided by landlords, are called tenant services. They can include personal laundry, meals, light housekeeping, transportation, personal emergency response, recreation and wellness, cash management and other services.

All tenancy agreements that include tenant services must be in writing. These agreements need to show the separate charges tenants must pay each month for rent and for the tenant services. Landlords must tell tenants how much tenant services will cost, before tenants sign their tenancy agreements. There is a 48-hour cooling-off period, in case the tenants change their mind. But this option is only available to tenants before they take possession of rental units.

The annual rent increase guideline doesn't apply to a tenant services charge. However, landlords must give tenants three

months' written notice before they raise the tenant services charge. The charge can go up only once in a 12 month period.

Landlords can enter tenants units to provide the tenant services (ex: light housekeeping or linen service) without giving the advance 24-hour notice that is usually required. However, if landlords are entering a unit for things like repairs or annual inspections, they must still give advance notice.

Tenants in these types of complexes must have the opportunity to provide landlords with feedback on the operation of the complex and how the services are provided. The regulations set out a number of ways landlords can do this (for example: annual meetings, open houses or an onsite person to speak to).

Landlords who offer tenant services can charge tenants a tenant services security deposit. This deposit can be a maximum of half the first month's tenant services charge.

If you have questions about tenant services or tenant services charges, contact the branch office nearest you or go online to the website.

Cash management services in buildings that provide tenant services

Sometimes, tenants in buildings that offer tenant services like to have landlords provide a cash management service. This means landlords hold money in trust for tenants and act like a mini-bank, (reducing the tenants' need to visit the bank for pocket money or keep large amounts of cash in their rental units). This service is something a landlord can choose to offer. If the landlord offers the service, he or she cannot make tenants deposit money with them if the tenants do not want to.

The Residential Tenancies Regulation caps the amount of cash landlords can hold in trust for each tenant at any given time. Landlords cannot hold more than \$400 at a time for each tenant who uses this service. *The Residential Tenancies Act* and its regulations strictly regulate this service. Landlords and tenants must understand their rights and responsibilities if they provide or use this type of service.

If landlords offer this service, they must know that they:

- can't require tenants to deposit money with them
- must keep records according to the regulations

If tenants use this service, they must know that they:

- can give their landlord a written request for all or part of their money and the landlord must provide that amount within 10 days
- can expect the landlord to keep track of all of the deposits and withdrawals their tenants make and provide the tenants with a record of this once a year

For information on the regulations covering cash management services, contact the branch office nearest you; or go online at www.manitoba.ca/rtb and click on Acts and Regulations.

Manitoba Human Rights Commission offers a new workshop for landlords in Winnipeg and Brandon

Opening Doors to Rental Rights

New and seasoned landlords will benefit from this two hour workshop which explains *The Human Rights Code* and how it applies to rental situations. Topics will include how to create effective advertising that is non-discriminatory; assess selection processes to ensure they are not discriminatory; and address accommodation requests.

Date: March 14, 2012 (Winnipeg), Time: 11:00 am – 1:00 pm
Place: Manitoba Human Rights Commission – 7th Floor, 175

Hargrave Street, Winnipeg, Cost: \$75.00 (lunch included)
Register on line: http://www.manitobahumanrights.ca/wpg_workshops.html **And**

Date: February 29, 2012 (Brandon), Time: 11:00 am – 1:00 pm

Place: Brandon, The location will be confirmed two weeks prior to workshop, Cost: \$75.00 (lunch included)

Register online: http://www.manitobahumanrights.ca/brandon_workshops.html

For more information please call Sheilagh Hooper at 204-945-5112

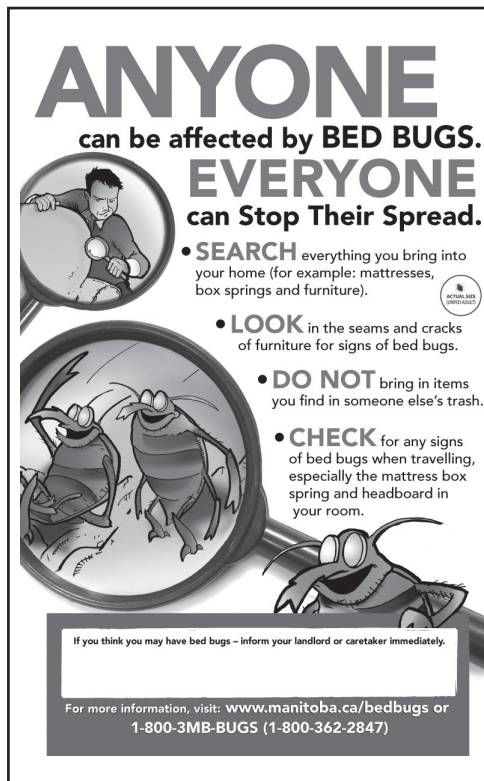
Free Bed Bug Poster

Available for Landlords

Landlords in Manitoba often face many challenges when trying to get rid of bed bugs in their units or residential complexes. Early detection and tenant awareness help stop the spread and make elimination easier.

The Residential Tenancies Branch, along with the Interdepartmental Provincial Coordination Committee have created a poster for landlords to put up in their complexes. This poster encourages tenants to check all items they bring into the unit for bed bugs and to call their landlord or caretaker immediately if they suspect they may have bed bugs.

To get your free copy of this poster, contact the Branch office nearest you or email us at rtb@gov.mb.ca. You can also contact the Bed Bug Hotline at 1-855-3MB-BUGS (1-855-362-2847) or by email at bedbugs@gov.mb.ca



Need information?

Online
manitoba.ca/rtb

Offline
in person or by phone

Visit your branch office Monday to Friday
from 8:30 a.m. to 4:30 p.m.

**Winnipeg at 302-254 Edmonton Street
or call 945-2476**

**Brandon at 157-340 9th Street
or call 726-6230**

**Thompson at 113-59 Elizabeth Drive
or call 677-6496**

Toll free 1-800-782-8403

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