

LANDLORD LEGAL

Tenant Troubles? Landlord Legal is Coming!

Do I Need a Lease?

Answer: Yes, you need a great one!



Copyright Landlord Legal © 2011

**Visit our Website Homepage to purchase our
Comprehensive Lease Package
www.landlordlegal.ca**

What Makes A Good Lease?

As a seasoned veteran of hundreds of battles before the Landlord and Tenant Board, it's clear: something is rotten in Ontario. Is it the legislation governing tenancies? The Landlord and Tenant Board? Irresponsible landlords? Predatory tenants?

No matter the reason for your tumultuous landlord/tenant relationship, one thing is for sure: if you don't have a written Agreement, and end up having to litigate one or more issues before the Board, it's going to be an uphill battle for everyone involved.

Some Agreements are better than others. Some are a dozen pages long and others, half a page and a handshake. Which approach is best?

These are the **Terminator's Top Ten** elements of a good residential lease, designed to protect all parties, and anticipate problems, while hoping there won't be any!

1. **Full legal names of the landlord(s) and tenant(s).** If occupants are being accepted, name them as well. Check your tenants' photo ID to be sure of their identity, and the proper spelling of their names.
2. **Identify the rental unit.** Full municipal address and postal code, apartment or unit number, whole house or main floor only? Specifically set out what is being rented to the tenants. Is there a garage? Is it included? Shared with other tenants? Do tell!
3. **The commencement date of the tenancy.** If you are allowing someone to move in ahead of time, don't change the commencement date. Simply pro-rate the rent for any early occupancy and provide a receipt to the tenant. It's best to have your tenancy begin on the 1st of the month.
4. **Clearly indicate how much the monthly rent is, and when it is due.** Again, keep things consistent. Make rent due on the 1st and not the 15th or any other strange combination of due dates. Keep it simple, you will be glad you did!
5. **What is the term of the lease?** The Terminator firmly recommends against one year terms (or longer), believe it or not! If you are renting to someone for the first time, start off with a month to month tenancy. Trust me on this! If things go south, you will have much more power in the eviction ring! Lenders take note: a one year term does not guarantee that this is a stable relationship: in fact, your borrower is at more of a risk with a fixed term tenancy! Tell your prospective tenant that if they perform well, they can be assured of a long term home...but they must earn that right.

Copyright Landlord Legal © 2011

6. **Utilities.** Save me a few grey hairs and PLEASE specify who is responsible for each and every utility! If your new tenants are going to be responsible for heat and hydro, put that in writing. If they don't have their own accounts in place as required, you are not obliged to release the key to them! Keep them honest! Don't forget to cover other frequent battle grounds such as water, hot water heater rentals, cable, internet, etc.

7. **Landlord's Address for Service.** This can be your home address, your legal representative's address, even a post office box. Without this information, your tenant is not obliged to pay rent, so don't leave it out!

8. **How rent will be delivered to the landlord each month.** Your tenants are responsible to get the rent to you, not the other way around! If you don't get this information straight in your lease, you could very well be chasing your tenant for rent each month, on their terms. Instead, consider some of these options: direct deposit into your separate rental account, email money transfer, Pay Pal, regular mail. Your tenant can elect to provide post-dated cheques but legally, you can't insist upon them.

9. **Appliances and other services.** If you are including appliances, say so! Include serial numbers as a theft deterrent. In Ontario, you are responsible for any appliances you supply, so consider this one carefully.

10. **Special Clauses.** This is the part of the lease that covers things such as the two poodles you agreed to, the parking instructions, the smoking policy of your unit, how you expect to be informed of any maintenance issues (we have a form for that!), your agreement as to lawn care and snow removal, garbage, insurance, painting and decorating, and possibly more! If it's important, include it!

Important Schedules Forming Part of the Agreement:

Incoming Inspection Report. If the unit is freshly painted and renovated and free of maintenance defects, say so! And have your new tenant sign off on this Report, which should include a set of photos depicting the state of the unit and appliances you include.

Smoke Alarm Maintenance Report. You've heard the horror stories: tenant rips down alarm, house catches fire, landlord charged! Get that paper trail in place!

Maintenance and Repair Request. Unless you want your phone ringing incessantly while you are trying to have dinner, take a business approach. Except for true maintenance emergencies, written requests sent to the landlord's address for service will serve!

Of course, the landlord(s) and tenant(s) must sign the documents and preferably, in one another's presence. A witness is nice, but not a must.

Sounds like a lot of work, doesn't it?

Take it from the Terminator, your comprehensive lease doesn't have to be full of fancy legal jargon, but **it absolutely should contain these ten essential elements if you are concerned about protecting your investment, and your position in court should things turn sour.**

Wishing you success in your landlording adventures!!

C. April Stewart, aka "the Terminator"
Landlord Legal