What is a lease?

The Lease Agreement

A lease is a legal agreement between you and the landlord. The term of a lease is typically 12 months but can be any length of time you agree upon with the landlord. It sets out both of your rights and responsibilities. It also sets out the terms and conditions you have agreed on, making it easier to fix any misunderstandings or concerns.

In Ontario, the Residential Tenancies Act (RTA) sets out rules about what a landlord can and cannot require of a renter in a private market rental housing. Visit <u>Service</u> <u>Ontario</u> to view the act. The <u>Durham Community Legal Clinic</u> can help tell you if your prospective housing is covered under the RTA and, if so, what terms and conditions apply to you. You can also talk to officers with the Landlord and Tenant Board (LTB) at <u>Tribunals Ontario</u>. Visit the <u>Community Legal Education Ontario's</u> (CLEO) section on tenancy and the laws that apply.

What terms and conditions are included in a lease?

The lease will say what the rent is, what is included in the rent (i.e., utilities, parking, cable TV), and if or when the rent will increase. In Ontario, there is an anniversary date for rent increases for apartments. On that date the landlord can increase the rent whether you have lived in the apartment for one month or 11 months. He or she must give you 90 days' notice with an N1 Notice of Rent Increase. Read CLEO's section on how the rental increases may affect you, as this can depend on the type of unit being rented.

At the end of the lease, you do not have to sign another lease. You can continue to rent on a month-to-month basis. Many people choose this option as the conditions of the former lease still legally apply, but you can also give two month's notice to move without penalty.

Use the tip sheet, 'Reviewing and Summarizing My Lease', to summarize the terms and conditions of your lease.



What should you be wary of in a lease?

Look for parts of the lease that may be illegal, such as a rule against visitors to your apartment. Read every word carefully and make sure you understand the entire document. If the landlord verbally agrees to changes, ask that the changes be added to the lease. If your landlord agrees to make repairs, ask the landlord to list the types of repairs in the lease.

Take your time to review your lease

Take your time even if you are worried that the landlord will get impatient and decide not to rent to you. A lease is legally binding. If you rush into it now, you may regret it later. Make sure you know what the lease says and how long the term is for. Sign only if you are happy with the apartment and the lease and you are sure you can keep up your part of the agreement.

