

RENTING YOUR FIRST HOME IN CANADA

What Newcomers Need to Know





A HOME OF YOUR OWN

If you are new to Canada, one of the first things you will probably need to do is find a place you and your family can call home.

For most newcomers, your first home will likely be a rented house or apartment. Renting a home should provide you a safe place where you can begin to adjust to your new life in Canada. It can also give you the time to look for a home to buy without feeling pressured into making a quick decision.

This Guide was developed by Canada Mortgage and Housing Corporation (CMHC) to help make it easier for you to find and rent a home or apartment in Canada. As Canada's national housing agency, CMHC has been helping Canadians, including new Canadians, gain access to a wide choice of quality, affordable homes for more than 60 years.

TYPES OF RENTAL HOUSING

There are several different types of rental housing available in Canada. These include:

- **Apartments** — an apartment is a self-contained, single-family unit in a building or house. Most apartments have one, two or three bedrooms; “bachelor” units have a combined living area that also serves as a bedroom.
- **Single-family detached** — a home containing one dwelling unit, that stands alone and sits on its own lot thereby offering a greater degree of privacy.
- **Duplexes or triplexes** — a house that is divided into two units is a duplex. Divided into three, it's a triplex. Often, the owner of the house will live in one unit and rent out the others.

- **Row House or Townhouse** — three or more units are built side-by-side and share adjoining walls. Townhouses may also be “stacked,” which means that the top two floors will consist of a separate unit from the bottom two floors
- **Rooms** — large homes are sometimes divided into several private bedrooms that are rented to individuals, with a common, shared kitchen and bathroom.

TENANTS AND LANDLORDS

One of the first questions many newcomers have is: “What are my rights and responsibilities as a tenant, and what is my landlord responsible for?”

Your landlord is the person who owns the house or building you live in. For larger buildings, the landlord may also hire a property manager or superintendent to collect rent and manage the building.

Landlord and tenant responsibilities can be different in different provinces/territories. Fact sheets are available at cmhc.ca that describe aspects of the rental process and legislation in each province/territory. Contact information for the local rental authorities and related links are also included. You can find your provincial/territorial fact sheet in *Your Guide to Renting a Home* at www.cmhc.ca.

In general, your landlord is responsible for:

- Collecting the rent;
- Keeping your building safe and in a good state of repair;
- Providing everything that comes with the apartment and that is included in your rent (such as the refrigerator, stove, heating system); and
- Handling and paying for repairs when something in your home breaks.

Landlords cannot refuse to provide you with utilities, such as electricity or hot or cold water. The cost of those services may or may not be included in your rent. Often, tenants must obtain and pay for cable TV and Internet services on their own. Landlords cannot threaten you or prevent you from enjoying your home in a reasonable way, or take any of your property without a legal order allowing them to do so.

For your part, as a tenant, you are responsible for:

- Paying your rent in full and on time;
- Keeping your home clean and well maintained;
- Contacting the landlord whenever anything needs to be serviced or repaired; and
- Allowing the landlord or manager to enter your home to carry out repairs, or to show the apartment to other tenants if you are moving out. Your landlord must provide you with proper notice before entering your apartment.



FINDING A PLACE TO RENT

Before you start looking for a place to rent, you need to decide where you want to live, how many rooms you will need and how much you can afford to pay.

Try to be as flexible as possible, especially when choosing your first home. Also, be prepared to adapt to Canadian standards. For example, rental properties with more than 3 bedrooms are hard to find, so finding a home with three or more bedrooms can be difficult. You may have to accept a smaller place or a less central location until you can find what you really want.

You may hear the term "subsidized" housing. It means that the government or a non-profit organization pays a part of the rent for a house or apartment based on certain rules, including the level of income of a person or family. The demand for subsidized housing is very high and the waiting period can be up to five years.

Where and how to look

After cost, location is often the most important thing to think about when looking for a place to live. Neighbourhoods that are close to work, schools, public transit and other services might cost more, but they can also save you time and money in commuting to work or school.

Once you have chosen the areas where you would like to live, there are many places you can look to find houses or apartments that are available to rent. These include:

- **The classifieds section** of your local newspaper (also known as "want ads");
- **Free community or ethnic newspapers;**
- **Bulletin boards** in grocery stores, libraries, laundromats, health clinics, thrift stores, community centres, service clubs or real estate offices;
- **Lists of houses or apartments for rent** at the public library or at university or college campus housing offices;
- **Websites** of local newspapers or special websites that list houses or apartments for rent;
- **Friends, relatives or coworkers** who are familiar with the area to give you their recommendations.

You can also simply visit neighbourhoods where you'd like to live and look for "For Rent" signs on houses or buildings. If you really like a particular building, ask the superintendent if there are any apartments available to rent now or in the near future.

HOW MUCH CAN YOU AFFORD?

Your choice of house or apartment will probably depend on how much you can afford to pay each month in rent. As a general rule, your entire monthly housing costs should be less than 30 per cent of your household income before taxes. This includes:

- **Your monthly rent and;**
- **Utilities** such as heat, electricity and water.

Remember to look at several different houses or apartments before you decide. That way, you can compare the rent being charged to make sure the place you choose is right for you and your family.

Questions to ask

Before you go to look at a place you might want to rent, prepare a checklist of questions and take them with you to ask the landlord or superintendent. Writing down the answers will help you compare all of the houses or apartments that you visited and the advantages or disadvantages of each one.

Some of the questions you should ask are:

- Are the utilities included in the rent? If not, how much do they cost each month?
- Can you make changes to the home, such as painting or decorating?
- If you have pets or you smoke, are pets and smoking allowed? Different provinces have different laws regarding pets. See the provincial/territorial fact sheets online at www.cmhc.ca and type in the search box *Your guide to renting a home* for more information.
- If you own a car, is parking available, and does it cost extra?
- What is the neighbourhood like? How safe is the area?
- What are the other tenants like? For example, are there families or single people living in the area?
- Who maintains the property?

- If you are considering an apartment, does it come with a storage locker or separate bicycle storage? Is it included in the rent? How secure is it?
- What security systems are in place? What kinds of locks are used and have they been changed recently?

While you are there, **check to make sure everything is in good working order**. Make sure the front door locks properly. Turn on the stove and oven, and open the refrigerator and freezer to make sure they work properly. Turn on the taps and flush the toilet(s). Make sure there is enough closet space. Ask whether the heat works, and if the home will be warm enough in the winter.

MOVING IN

You've found your new home and you're ready to move in! When you agree to rent a place, it is highly recommended that you and your landlord sign a lease.



Signing a lease

A “lease” is a written rental agreement that spells out all the terms you and your landlord have agreed to. A lease is a legal document, so **make sure you read and understand every word**.

You may also want to hire a lawyer or someone who understands the document, like a relative or friend, to go over it with you.

In general, most leases include:

- The names and contact information for you and your landlord.
- The address of the house or apartment you are renting.
- The monthly rent you have agreed to pay, with or without utilities, parking, cable television or other services.
- The date when the rent is due (for example, on the first day of each month) and the amount that the landlord is allowed to increase the rent in the future.
- The term of the rental period (for example, one year or month-to-month).
- The conditions for ending or cancelling your lease, or subletting the property (finding someone else to rent it if you want to leave before the rental period stated in your lease is over).
- A list of the repairs or upkeep that will be your responsibility.
- Any other restrictions (such as whether or not you can smoke or have pets).
- Details on when and how the landlord can enter your house or apartment.
- Procedures for making changes to the lease and resolving any disagreements.

In Canada, landlords **can ask you** for letters of reference (letters from past landlords that recommend you as a good tenant). They can also ask you where you work and what your income is, and conduct a credit check to make sure you can pay the rent. But landlords **are not allowed to ask** personal questions such as how long you have been in Canada, what your ethnic background or religion is, whether any relatives will be visiting you, or whether you plan to have children (or have more children). Every province has different laws, so contact your provincial/territorial rental authority to find out the rules.

Moving in

Depending on where you live, most landlords will ask for a **rental or security deposit** to cover any damage that might happen to the apartment while you are living in it. The security deposit is usually equal to one month's rent. The rules regarding these deposits are different in each province, so be sure to check with your provincial/territorial rental authority to find out more.

On the day you move in, check the house or apartment thoroughly and make note or take a photograph of any damage you find, such as water stains or holes in the carpets or doors. Make sure your landlord signs the list of damages, and keep a copy of it for your records.

Ask your landlord or the superintendent to go over the rules and instructions for getting your mail, using the intercom (apartment building), garbage and recycling, laundry, tenant and visitor parking, and how the appliances work..

NOW YOU'RE A RENTER

You will usually have to pay rent to your landlord or property manager on the first day of every month. In most cases, you can pay your rent in one of three ways:

Paying rent and utilities

1. **Cash.** Make sure you get a receipt for the full amount.
2. **Postdated cheques.** These are cheques that have a future date written on them. For example, many landlords will want you to give them 12 cheques, made out for the first day of each month for the next 12 months. Postdated cheques cannot be cashed until the date that is written on them.
3. **Certified cheques.** These are cheques that have been guaranteed by your bank. Many landlords ask for a certified cheque for your first and last month's rent.

In some places, your rent may include some or all of your utilities, such as the electricity, heat, water, cable TV or telephone. If they are not included in your rent, you are responsible for paying these utility bills yourself. If you pay for your utilities, always pay your bills by the due date or you will be charged interest. If you miss several payments, the utility may cut off your service.

Maintenance and repairs

In most cases, your landlord is responsible for emergency repairs as well as for maintaining or repairing any appliances (for example, refrigerator or stove) that were provided by your landlord with your apartment. If something in your home breaks, call or write your landlord or superintendent to explain what is wrong and ask to have it fixed.

If the landlord does not respond to your request or fails to make the repairs, you can apply to the rental authority in your province or territory to require the landlord to fix the problem. In some provinces, you can find your provincial/territorial rental authority in the Blue Pages of your telephone book.

It is important to note that **deducting repair costs from your rent without the approval of your landlord or a court is against the law**. If you withhold rent to pay for non-emergency repairs, your landlord can apply to have you evicted (see the section on “Evictions” later in this Guide).

IN CASE OF EMERGENCY

If you need an **emergency repair**—for example, if water starts leaking through your ceiling or roof, or your furnace breaks down on a cold winter night—**contact your landlord immediately**. If you cannot reach your landlord, leave a message and record the date and time of your call. If the repairs must be performed immediately to protect your health and safety or to prevent damage to the property, you may be able to give permission for the repair work yourself. In these cases, keep all papers related to the repair and ask the repair worker to bill your landlord directly. If repairs must be paid for immediately, keep track of expenses, notify the landlord and ask for repayment.

CLEAR THE AIR!

Mold can be a serious health risk, especially if anyone in your family suffers from asthma or allergies. Mold growth usually looks fuzzy or powdery and is very often coloured, from light green to brown or black. If you think you have mold in your apartment, tell your landlord or building superintendent immediately.

Keeping your home healthy and safe

There are also many things you can do to help keep your home and your family healthy and safe. For example:

- **Be aware of the security and safety features** of your building. Make sure your house or apartment's doors have good locks. Test your windows to be sure they close fully and have a lock. Always be careful when it comes to letting people you don't know into your house or building.
- **Don't attract pests.** Never leave open food or garbage out. Clean your home well and on a regular basis. Get rid of any clutter you don't need. And try to control the level of moisture by using the bathroom and kitchen fans, and buying a dehumidifier if necessary.
- **Prevent fires.** Do not use overcrowded or “octopus” electrical outlets (outlets that have so many appliances plugged into them that they look like a many-armed octopus). If you smoke, use a wide, deep ashtray and never smoke in bed. Keep curtains and other flammable materials away from lights and candles. Never leave food cooking unattended. Clean the grease from your pans and stovetop regularly. Make sure you have at least one smoke detector in your apartment and test it once a month using the alarm test button.

Rent increases

Unfortunately, rent increases are a fact of life. The frequency and amount that your landlord can increase your rent is different in each province and territory. In most areas, your landlord must give you 90 days' notice of a rent increase. In some parts of Canada, your rent can be increased only on the anniversary of the date you first moved in.

Usually, landlords can increase your rent only once each year, and only by a certain maximum amount set by your provincial or territorial government. If you have not been given proper notice, you may be able to refuse to pay the rent increase until the landlord gives you the proper notice.



MAKING A COMPLAINT

Sometimes tenants have problems with their landlords. It is always best to try to solve these problems between you and your landlord yourself. But if you are unsatisfied with the actions of your landlord, you should understand that you have rights. You can contact your provincial/territorial rental authority and follow the proper steps to make a complaint.

If you have a problem with other tenants—for example, if they are making too much noise—the first and easiest step is to get to know your neighbours better, and make them aware of how much their activities are affecting you. Always remain calm and reasonable, and try to work together to solve the problem. If this fails, talk to your landlord or building manager.

Renewing your lease

When you first move into a house or apartment, you probably signed a lease for a fixed term, such as for one year. At the end of that year, depending on which province or territory you live in, the terms of your lease may change from one year to “**month-to-month**.”

A month-to-month lease means that, after the first year, your lease is now renewed on a monthly basis. With a month-to-month lease, you are still protected from being illegally evicted. But it is easier for you or your landlord to end your tenancy, provided enough written advance notice is given, and the proper steps are followed.

MOVING OUT

Eventually, you will want to move out of your rental house or apartment. Perhaps you will buy a home of your own, or maybe you just want to make a change. When you are ready to leave, there are certain things you should do before you move out.

First, you must give your landlord **written notice** that you will be leaving at least one month before the first day of the month when you want to move out. (In some provinces or territories, you may need to give two to three months' notice, or none at all, so be sure to check with your provincial/territorial rental authority).

Before moving out, clean your apartment thoroughly and repair any damage. Then, inspect the property with your landlord. Both you and your landlord should sign and keep a copy of this final inspection checklist. If the property passes your landlord's inspection, you are entitled to receive a refund of any damage

SUBLETTING YOUR APARTMENT

If you need to move out before your lease is over, you can sublet your apartment. **Subletting** is a legal arrangement between you and another person who agrees to live in your place, pay rent and respect your rental agreement (lease). In most cases, landlords cannot unreasonably refuse a request to sublet, but you need to get their approval first. Remember: you will be responsible if the person you sublet to damages the apartment or fails to pay the rent, so you should sublet only to someone you trust.

EVICCTIONS

An “**eviction**” is when your landlord demands that you move out. In Canada, a landlord cannot evict you for refusing to renew your lease or for having visitors. It is also illegal for a landlord to put your belongings on the street, or change the locks and refuse to let you enter. If you receive a notice of eviction, do not ignore it. An eviction notice is a legal document and you must do what it says. If you want to appeal an eviction, do it as soon as possible and contact your provincial/territorial rental authority.

deposits you paid when you moved in (plus interest).

condominium—a building with several units (such as houses, townhouses or apartments), where each unit is privately owned.

credit check—a confirmation of your income and credit and employment history, which is often carried out by a landlord to make sure you will be able to pay the rent.

deposit—(also may be referred to as a damage, security, or rent deposit). Money given to the landlord at the start of the rental agreement and returned to the tenant at the end, provided of all the conditions of the lease have been met. A deposit cannot be collected in Quebec.

eviction—a legal order that is authorized by a court of law, which requires a tenant to leave the place he or she has been renting.

highrise building—an apartment or condominium building that is six or more stories high.

landlord—the person who owns and leases an apartment building, condominium, townhouse or house.

lease (as a noun)—a written contract or legal agreement between a landlord and a tenant.

lease (as a verb)—to rent an apartment or house for a specific period of time.

legally binding—an agreement that is enforceable in a court of law.

letter of reference—a letter from a past landlord, which states that you are a good tenant.

month-to-month—a lease that is renewed on a monthly basis. In most provinces, leases become “month-to-month” after you have been living in a house or apartment for more than one year.

normal wear and tear—the normal damage that might reasonably be expected occur to an apartment or house as a result of living in it.

privately owned housing—a home that is owned by a person or company.

property manager (or superintendent)—a person hired by a landlord to collect rent and manage a building.

rent (as a noun)—money paid for the temporary use of an apartment or house.

rent (as a verb)—to pay money for the temporary use of an apartment or house.

rental (or security) deposit—a deposit of money required by a landlord before you move in, to cover any unpaid rent or damages that might happen to the apartment while you are living in it.

rental authority—the legal authority responsible for overseeing landlord-tenant affairs and issues in provinces and territories. In some areas, the court is the rental authority.

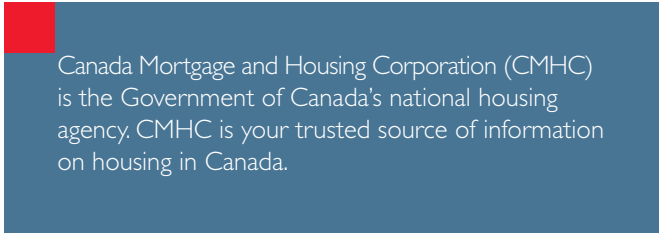
sublet—a legal arrangement where you rent a property that you are renting to another person, with the permission of your landlord.

subsidized housing—The government or a non-profit organization pays a part of the rent for a house or apartment based on certain rules, including the level of income of the occupants.

tenant—a person who leases or rents a room, apartment or house.

tenure—the condition, right or title under which a property is held.

utilities—services such as heat, water and electricity that may or may not be included in the amount of rent paid. For example, cable and telephone services are usually not included in the total cost of the rent.



Canada Mortgage and Housing Corporation (CMHC) is the Government of Canada's national housing agency. CMHC is your trusted source of information on housing in Canada.

For more housing information, please visit
Canada Mortgage and Housing Corporation.
Website: www.cmhc.ca/newcomers

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