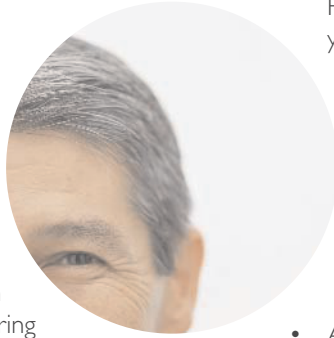


“Being a Part of The Community”

If you have purchased a house in a residential neighbourhood, which you intend to use as a rental property, you are still considered a member of that community. You have a responsibility to your neighbours to maintain your rental property. It is also advisable to maintain dialogue with your neighbours, just as you would with tenants, by introducing yourself and sharing your contact information, should any problems arise in the future. Opening the lines of communication with your neighbours will benefit both you and your tenants, and make for a better living environment for all.



Evaluating Prospective Tenants

Every landlord wants to find good tenants - ones who pay the rent on time and take care of their rental property. While time to show the unit, accept and review applications and do background checks may be limited, a hasty decision could cost you money in the long run. If the wrong tenant moves in, you may end up losing money due to damages or disputes.

Getting candidates to fill in a rental application and properly screening for applicant suitability before accepting a new tenant are vital. If you accept tenants without screening and verifying their information, terminating the rental agreement may be difficult even if you discover that they provided false information.

As a landlord you can ask:

- What is your income? Where do you work?
- How many people will be living with you and what are their names?
- Do you have pets? Do you smoke?
- Could you provide written permission for a credit check?
- May I see your references and their current contact information?

As a landlord you cannot ask:

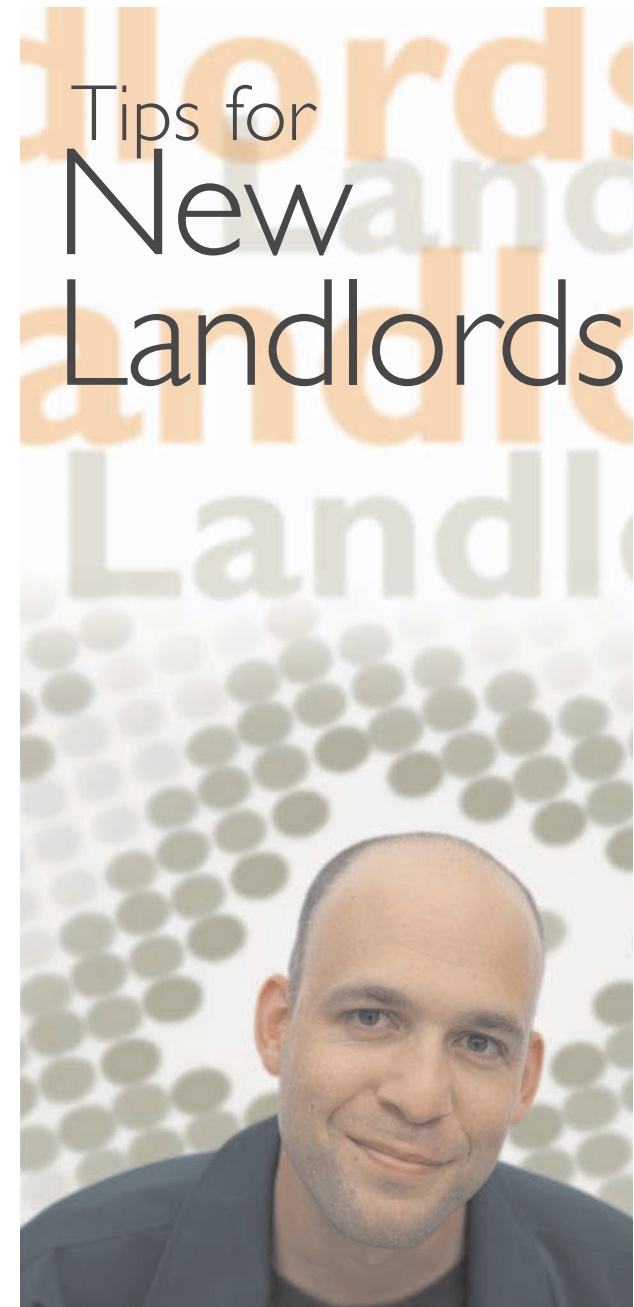
- You cannot ask questions that infringe on the rights of the tenant under the Human Rights Code for your province. For example, you cannot ask a prospective tenant:
 - Do you plan to have (more) children?
 - What is your ethnic background, religion, or sexual preference?
 - Will your family be visiting?
 - What is your social insurance number? If you don't provide your SIN, I won't rent to you.
- Are you married, single, or divorced?

Beyond credit information, try to discover what kind of tenant will be living in your unit. Consider talking to even the last two or three landlords to get a clear idea.

In some provinces, landlords can easily access information compiled by order registries and landlord advocacy groups. A landlord unsure about a tenant's suitability can turn to these groups for more information. These registries include information about unlawful tenants and help landlords when they face difficult tenant situations. Provincial offices can also offer assistance to landlords who are experiencing tenant problems. They may also be able to pass along information on registers and advocacy groups in your region, if these organizations exist.

Detailed Information can be found at www.cmhc.ca

Brought to you by the
University of Guelph's
Off-Campus Housing Office
www.housing.uoguelph.ca/locho
and Neighbourhood Relations
www.studentlife.uoguelph.ca/neighbourhood



Tips for New Landlords

When searching for tenants, can you exclude people with children? When a tenant is in your premises but is not paying rent, can you evict? How do you evict a tenant? To run your business effectively, you should learn the relevant rules and regulations in the province or territory where you rent. Regardless of how you acquire the knowledge, getting informed helps you respond appropriately if and when challenging issues arise.

Just Starting? Do Your Homework!

Each province and territory has its own legislation. You can learn about these rules and regulations in many ways. The Provincial and Territorial Fact Sheets are a good start. (<http://www.cmhc.ca/ontario/>) For instance, have you thought about:

Rent Increases? Landlords must give 90 days written notice and can only increase the rent once every 12 months.

Property Maintenance? Landlords must keep the property in good state of repair and fit for habitation.

Sharing Kitchen or Bathroom With Owner or Family? These situations are exempt from the Tenant Protection Act (TPA), and are covered under contract law.

Vital Services? "Vital services" are fuel, hydro, gas, or hot and cold water. If a landlord provides any vital service to a tenant, the landlord cannot withhold the reasonable supply of it.

If you want to know exactly what the law says, you should read the TPA (www.orht.gov.on.ca) or call the Ontario Rental Housing Tribunal at 1-888-332-3234.



Privacy Laws

New privacy legislation in Canada may affect the way that you collect and keep information on prospective tenants. Be sure to check that your list of candidate questions is in compliance with these new laws. For example, you must now tell your tenants why you are collecting this information and what you plan to do with it.

To learn more visit the Privacy Commissioner's website at:

http://www.privcom.gc.ca/ekit/index_e.asp

Or contact the Privacy Commissioner by phone at 1-800-282-1376.

By-laws and safety

Does the building you are renting comply with local and provincial bylaws? What about building codes?

Most communities have a bylaw that sets minimum standards for the upkeep and maintenance of rental property. It might be called a "maintenance," "property standards," "housing standards," or "occupancy" bylaw. These bylaws stipulate guidelines and standards for fire and building safety. Municipal bylaws also cover issues like zoning and permits. To get started, contact the main branch of your local municipality, which you can find in the blue pages of your telephone book.

- In the Guelph area, you can arrange for a fire inspection by contacting the Guelph Fire Department at (519) 824-3232, and you can arrange for a building inspection by contacting the City of Guelph's Building & Zoning Division at (519) 837-5615



TIP:

The Ontario government sets rent guidelines each year. Spend some time with a legal expert in order to run your business without violating rights or laws.

- Before purchasing a home for student rental purposes, research insurance companies and required coverage. Proper insurance may cost you more now, but will save you money if you ever need to make a claim.

Research Current Market Pricing and Vacancy

Before you set the rent, find out what comparable units in the area rent for by checking sources where landlords advertise. CMHC also produces annual local Rental Market Reports for a fee. Rental Market Reports and FAST faxes give you the latest trends in vacancy rates and average rents for over 100 Canadian centres.

- If your target market is students, contact your local university or college to discuss the need for housing, enrolment trends and rental cycles unique to this market.
- Research the type of tenant you will be renting to - whether it's students, faculty members, or young families - each may have their own expectations or financial limitations when renting.

Keeping Records

By law, you are required to keep records and receipts for all financial transactions relating to your business. If you are not familiar with business bookkeeping, consult with an accountant. In addition, it's important to document and track the condition of the rental premises. When a tenant moves in, complete an initial inspection of the premises and have both parties sign and keep a copy of the inspection worksheet. In some jurisdictions this is required by law and there is a standardized form to use. If your province or territory does not provide a standardized inspection template you can contact Canada Housing and Mortgage Corporation to receive a sample inspection worksheet.

