

<b>Rent Administration</b>	
VICTORIA PARK COMMUNITY HOMES - CORPORATE POLICIES	
Policy Number: <b>D1.6</b>	Sub-section: <b>Resident &amp; Property Services</b>
Effective Date: <b>2022_06_14</b>	Last Revision Date: <b>2022_06_14</b>
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Approved by: <b>Board</b>	Approval Date: <b>2022_06_14</b>

## **1. Policy Statement**

- 1.1 It is the Victoria Park Community Homes (VPCH) policy that all rental charges are due and payable on or before the first (1<sup>st</sup>) day of the month in which they become due.
- 1.2 The collection of rental revenues is critical to the financial health and sustainability of Victoria Park Community Homes (VPCH) and its ability to provide efficient property management, efficient maintenance services, and quality rent-geared-to-income, affordable and market rent housing.
- 1.3 VPCH is committed to working with tenants and any external housing support agency to ensure tenant compliance with the *Housing Services Act, 2011*, the *Residential Tenancies Act, 2006*, and their ability to pay rental charges as described in their current lease agreement.
- 1.4 Tenants are encouraged to contact their Property Manager when unable to pay the current month's rent in full. VPCH wants to support tenants to be able to remain in their homes. Various options may be available; however, tenants must agree to enter into a written agreement describing how the monies owing will be paid.

## **2. Purpose**

- 2.1 The purpose of this policy is to describe the VPCH business practices related to current and former tenant rent collection, activities associated with the recovery of rent and other monies owing, and the pursuit of legal action.

## **3. Definitions**

Rent            Rent is the monthly payment required to reside in a VPCH housing unit.

- Arrears     Arrears are monies that are owed despite a legal agreement and acceptance to pay a specific amount on a predetermined date.
- Tenant     A tenant is a person or entity who occupies a rental unit owned and administered by VPCH. The tenant is a signatory to a lease agreement and observes all the rights and responsibilities of the tenancy.

#### **4. Scope**

- 4.1     This policy applies to current and former tenants and describes activities related to the collection of rent and other chargeable monies owing to VPCH.

#### **5. Policy**

##### **Current Tenant Monthly Charges**

- 5.1     The monthly rent charge is due on or before the first (1<sup>st</sup>) day of every month. Additional service charges where applicable, such as parking fees, air conditioning charges or other charges associated with the unit, are also due on the first day of the month.
- 5.2     Rent or other chargeable monies owing not received on the first (1<sup>st</sup>) day of every month are considered late, and subject to service of Landlord and Tenant Board forms in the collection of monies, as permitted by the *Residential Tenancies Act*.
- 5.3     It is policy of VPCH that a security deposit, or what is commonly known as the payment of last month's rent (LMR) is required by all tenants when taking occupancy with VPCH regardless of income source, (see Policy B2.2 - Last Month's Rent (LMR)).
- 5.4     In the event any payment to VPCH is returned from a financial institution, the tenant account will incur an administration fee for each occurrence, in keeping with applicable legislation.
- 5.5     Any rent received after midnight is considered received on the next regular business day. Rent received on a weekend or holiday is considered received on the next regular business day.
- 5.6     A prorated rent will be charged at the beginning or end of a tenancy when the tenant occupies the unit for a partial month. The daily rate will be based on the monthly

rent at that time. A prorated rent may also apply when a lease expires however, the tenant is granted permission to stay one or two days beyond the end of the lease term.

## **6. Recovery of Rent Arrears – Repayment Agreements**

- 6.1 Tenants have until midnight on the day that rent is due to pay VPCH the rent. Monies received after midnight are deemed as late.
- 6.2 VPCH may agree to an in-office written arrears repayment agreement. The terms of the agreement depends upon the amount of the arrears and the length of time the tenant will continue in arrears. Repayment agreements may not extend beyond twelve (12) months. When Landlord and Tenant Board action has proceeded in the collection of arrears, a mediated settlement and written agreement is required with the same terms and conditions.
- 6.3 Where a legal tenant and VPCH have entered into a repayment agreement, the date of the payment may vary for each tenancy.
- 6.4 Tenant rental accounts are monitored regularly, and staff will take necessary action where needed to prevent arrears from increasing to a higher amount. The service of a Landlord Tenant Board - N4: Notice to End your Tenancy Early for Non-payment of Rent will be served noting the amount of unpaid rent owing and the termination date of tenancy.
- 6.5 Once a tenant is in arrears, any rent payment made by the tenant will be applied to the account against the oldest outstanding rental debt.

## **7. Persistent Late Rent Payments**

- 7.1 VPCH will serve an N4: Notice to End your Tenancy Early for Non-payment of Rent each time the rent is not received on the agreed-upon due date. The service of the N4 notices will serve as evidence when VPCH serves a Landlord Tenant Board – N8 - Notice to End your Tenancy at the End related to persistent late payments.
- 7.2 A household is deemed persistently late when rent is received after the first day of the month, and this has occurred six months consecutively or non-consecutively within a rolling twelve-month period.

- 7.3 Eviction proceedings related to persistent late are a last resort; however, VPCH strives to ensure consistency with all tenancies to ensure lease obligations are upheld and that tenants are held accountable. The service of an N8 notice is not avoidable, and VPCH will then pursue an L2 - Application to End a Tenancy and Evict a Tenant or Collect Money or set out terms where late payments cease. In all cases, VPCH will consider what positive steps the tenant has taken to reduce or eliminate the reasons for late payment.

## **8. Former Tenant Rental Arrears**

- 8.1 VPCH may pursue former tenant arrears by filing a Landlord Tenant Board - Application to Collect Rent a Former Tenant Owes (L10 Application) within the twelve months following the vacate date.
- 8.2 Where twelve months have passed following the vacate date, VPCH may pursue collections utilizing the Small Claims court process. Activities such as entering into a repayment agreement or garnishment of wages where appropriate will be considered.
- 8.3 In addition, VPCH may endeavour to recover monies owing by former tenants by using a third-party collection service designated to act on behalf of VPCH interests.

## **9. Promoting Sustainable Tenancies**

- 9.1 VPCH wants to retain tenancies and support residents in their efforts to pay rent as required and to be good tenants.
- 9.2 When entering into a lease agreement, the terms describe the responsibilities of both the landlord and the tenant. One of the obligations is the payment of rent when it is due. We appreciate those residents who consistently pay their rent on time and understand that there may be the odd occasion when something prevents tenants from paying rent on the first day of each month. VPCH wants to support residents in any way possible to ensure successful tenancies.

## **10. Legislative Requirement**

- 10.1 The *Residential Tenancies Act*, 2006, includes provisions that a landlord may give a tenant notice of termination of tenancy when a tenant fails to pay rent lawfully owing under a tenancy agreement.

**11. Reference Materials** (Resources used in the development of this policy)

- *Housing Services Act, 2011, Regulation 367/11*
- *Housing Services Act, 2011, Regulation 316/19*
- Housing Sector Published Policies & Resources
- *Residential Tenancies Act, 2006*