

2. Good Faith Requirement when Ending a Tenancy

Mar-12

This policy guideline is intended to provide a statement of the policy intent of legislation, and has been developed in the context of the common law and the rules of statutory interpretation, where appropriate. This guideline is also intended to help the parties to an application understand issues that are likely to be relevant. It may also help parties know what information or evidence is likely to assist them in supporting their position. This guideline may be revised and new guidelines issued from time to time.

This policy guideline addresses demonstration of good faith when a landlord ends a tenancy for landlord's use of property.

LEGISLATIVE FRAMEWORK

The *Residential Tenancy Act*¹ and the *Manufactured Home Park Tenancy Act*² allow a landlord to end a tenancy if the landlord intends in good faith to:

- provide the rental unit to a new caretaker, manager or supervisor, when the employment of the tenant has ended;
- move in themselves, or allow a close family member to move into the unit;
- sell the unit and after all the conditions of sale are removed, the purchaser requests the seller issue the Notice to End Tenancy because they or a close family member intend to move in; or
- substantially renovate or demolish the rental unit, with all required permits and approvals, or convert it to another use, including a caretaker's unit, or convert it to a strata unit.

GOOD FAITH REQUIREMENT

Good faith is an abstract and intangible quality that encompasses an honest intention, the absence of malice and no ulterior motive to defraud or seek an unconscionable advantage.

A claim of good faith requires honesty of intention with no ulterior motive. The landlord must honestly intend to use the rental unit for the purposes stated on the Notice to End the Tenancy. This might be documented through:

- a Notice to End Tenancy at another rental unit;
- an agreement for sale and the purchaser's written request for the seller to issue a Notice to End Tenancy; or
- a local government document allowing a change to the rental unit (e.g., building permit) and a contract for the work.

¹ *Residential Tenancy Act* ss. 48(1)(c) 49(3), (4), (5)(a), (5)(c)(i) (ii), (6)

² *Manufactured Home Park Tenancy Act* ss. 41(1)(c), 42(1)



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If evidence shows that, in addition to using the rental unit for the purpose shown on the Notice to End Tenancy, the landlord had another purpose or motive, then that evidence raises a question as to whether the landlord had a dishonest purpose. When that question has been raised, the Residential Tenancy Branch may consider motive when determining whether to uphold a Notice to End Tenancy.

If the good faith intent of the landlord is called into question, the burden is on the landlord to establish that they truly intend to do what they said on the Notice to End Tenancy. The landlord must also establish that they do not have another purpose that negates the honesty of intent or demonstrate they do not have an ulterior motive for ending the tenancy.