30. Fixed Term Tenancies

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A. Takeaway

This policy guideline addresses how fixed term tenancies are governed under the *Residential Tenancy Act* (RTA) and *Manufactured Home Park Tenancy Act* (MHPTA). Specific issues addressed include vacate clauses, ending a fixed term tenancy, and rent increases and fixed term tenancies.

Keywords: vacate clause, fixed term tenancy, rent increases

B. Related Guidelines

Policy Guideline 50: Compensation for Ending a Tenancy

C. Legislative Framework

The following sections describe fixed term tenancies:

RTA	MHPTA
• section 1 • section 45.1	• section 1 • section 48 (2) (c)

• section 51.1 • section 55 (2) (c)	

Section 1 of the RTA and the MHPTA (the Legislation) defines a fixed term tenancy as a tenancy under a tenancy agreement that specifies the date on which the tenancy ends. In other words, a fixed term tenancy has a definite commencement date and expiry date. Neither party may end a fixed term tenancy early, except under the circumstances described in section E of this guideline.

A fixed term tenancy agreement must state the date the term ends.

D. Vacate Clauses

A vacate clause is a clause that a landlord can include in a fixed term tenancy agreement requiring a tenant to vacate the rental unit at the end of the fixed term. It can only be included in a fixed term tenancy in the following circumstances:

- the landlord is an individual who, or whose close family member, will occupy the rental unit at the end of the term, or
- the tenancy agreement is a sublease agreement.

For example, an owner can rent out their vacation property under a fixed term tenancy with a vacate clause if they or their close family member intend in good faith to occupy the property at the end of the fixed term. The landlord or close family member must occupy the rental unit for at least 6 months. Occupancy can be part time, e.g., weekends only. Failing to occupy the rental unit for at least 6 months may result in the landlord being ordered to pay compensation to the tenant equal to 12 months' rent.

The reason for including a vacate clause must be indicated on the tenancy agreement and both parties must have their initials next to this term for it to be enforceable. The tenant must move out on the date the tenancy ends. The landlord does not need to give a notice to end tenancy or pay one month's rent as compensation as required when ending a tenancy under section 49.

If the tenancy agreement does not require the tenant to vacate the rental unit at the end of the term, and if the parties do not enter into a new tenancy agreement, the tenancy continues as a month-to-month tenancy.

E. Ending a Fixed Term Tenancy

During the fixed term, neither the landlord nor the tenant may end the tenancy except for cause, by agreement of both parties, or under section H below.

A landlord may end the tenancy if the tenant fails to pay the rent when due by serving a Notice to End Tenancy for Unpaid Rent or Utilities (form RTB-30) on the tenant. Alternatively, a landlord may end the tenancy for cause by serving a One Month Notice to End Tenancy for Cause (form RTB-33) on the tenant.

A tenant may end the tenancy if the landlord has breached a material term of the tenancy agreement. The tenant must give proper notice under the Legislation. Breach of a material term involves a breach which is so serious that it goes to the heart of the tenancy agreement.

A landlord cannot give notice for landlord's use of property that will end a fixed term tenancy before the end of the fixed term. If a landlord wishes to end the tenancy for the landlord's personal occupancy of the property, the landlord must serve a proper Three Month Notice to End Tenancy for Landlord's Use of Property (form RTB-32L) on the tenant. If a purchaser asks the landlord to end the tenancy because the purchaser intends to occupy the rental unit, the landlord must serve a proper Three Month Notice to End tenancy for Purchaser's Use of Property (form RTB-32P). Before a landlord can serve notice for the purchaser's use of the property, the landlord must have an agreement in good faith to sell the property, all conditions of the sale must have been satisfied, and the purchaser must ask the landlord, in writing, to give notice to end the tenancy.

The effective date of that Notice will be three months for landlord's use of property and for purchaser's use of property from the end of the month in which the Notice was served but, in any case, not before the end of the fixed term. The tenant may not, during the fixed term, give the landlord a minimum 10 day notice to end the tenancy on a date that is earlier than the effective date of the landlord's notice.

A tenant may not use the one month notice provisions of the Legislation to end the tenancy prior to the end of the fixed term except for breach of a material term by the landlord or under section H below. Any other one month notice will take effect not sooner than the end of the fixed term.

A tenant who wants to end the tenancy at the end of the fixed term, must give one month's written notice. For example, if the fixed term expires on June 30th, the

tenant must ensure the landlord receives the tenant's notice to end the tenancy by May 31st.

F. Renewing a Fixed Term Tenancy Agreement

A landlord and tenant may agree to renew a fixed term tenancy agreement with or without changes, for another fixed term. If a tenancy does not end at the end of the fixed term, and if the parties do not enter into a new tenancy agreement, the tenancy automatically continues as a month-to-month tenancy on the same terms. Rent can only be increased between fixed-term tenancy agreements with the same tenant if the notice and timing requirements for rent Increases are met.

G. Early End to a Fixed Term Tenancy by Agreement

A landlord and tenant may agree in writing to end a fixed-term tenancy before its expiry date. A Mutual Agreement to End Tenancy (form RTB-8) is preferred but not required.

H. Early Termination for Family or Household Violence or Long-Term Care

Under section 45.1 of the RTA, a tenant may give one month's notice to end a fixed-term tenancy early without financial penalty when fleeing family or household violence or when the tenant has been assessed as requiring long-term care or has been accepted into a long-term care facility. The notice must be accompanied by a confirmation statement that is completed by a person who is eligible to do so under the Residential Tenancy Regulation.

A landlord may not apply for dispute resolution to dispute the tenant's eligibility to end their tenancy. A landlord may apply for dispute resolution to challenge the eligibility of the third-party verifier.

I. Orders of Possession and Fixed Term Tenancies

In addition to the procedures under the Legislation for terminating a tenancy for cause or for non-payment of rent, a landlord may apply for an Order of Possession in respect of a fixed term tenancy when any of the following occur:

- the tenant has given proper notice to the landlord as a result of a material breach by the landlord;
- the tenancy agreement is a fixed term tenancy agreement that provides that

the tenant will vacate the rental unit on the date specified as the end of the tenancy for one of the following reasons:

- the tenancy agreement is a sublease agreement; or
- the tenancy is a fixed term tenancy in circumstances prescribed in section 13.1 of the Residential Tenancy Regulation; or

- the landlord and tenant have entered into a written agreement specifying that the tenancy agreement shall end on a specified date.

J. Rent Increases and Fixed Term Tenancies

A rent increase between fixed term tenancy agreements with the same tenant for the same unit is subject to the rent increase provisions of the Legislation, including requirements for timing and notice. To raise the rent above the maximum annual allowable amount, the landlord must have either the tenant's written agreement or an order from an arbitrator. For clarity, a tenant signing a subsequent fixed term tenancy agreement does not constitute a written agreement to increase rent above the maximum annual allowable amount. The tenant's written agreement must specifically state that they agree to a rent increase above the maximum annual allowable amount. If the tenant agrees to an additional rent increase, the landlord must issue a Notice of Rent Increase along with a copy of the tenant's signed agreement to the additional amount. The tenant must be given three full months' notice of the increase.

K. Policy Guideline Intention

The Residential Tenancy Branch issues policy guidelines to help Residential Tenancy Branch staff and the public in addressing issues and resolving disputes under the *Residential Tenancy Act* and the *Manufactured Home Park Tenancy Act*. This policy guideline may be revised and new guidelines issued from time to time.

L. Changes to Policy Guideline

Section	Change	Notes	Date Guideline Changed
A	new	Referenced new legislative framework	2017-12-11

B	am	Updated to reflect legislative change	2017-12-11
D	am	Updated to reflect legislative change	2017-12-11
F	am	Amended to reference Mutual Agreement to End Tenancy form	2017-12-11
G	am	Updated to reflect legislative change	2017-12-11
H	am	Amended for clarity	2017-12-11
B	am	Amended for clarity RE: vacate clauses	2018-10-25
C, F	am	Updated to reflect legislative change	2020-05-30
A, B	del, am	Section A updated to remove transition reference. Section B updated to reflect section 51.1.	2022-07-11
All	am	Formatted to new template	2024-06-18
All	am	Updated references to section in the policy guideline to reflect new template	2024-07-18
D	del	Removed reference to Policy Guideline 50 since it is now referenced in section B	2024-07-18
D, E, I	am	Minor grammatical corrections	2024-07-18
E	del	Removed section title when referring to other sections in policy guideline	2024-07-18
E	am	Changed two months' notice to	2024-07-18

		four months' notice to reflect legislative changes, updated name of form RTB-32 to RTB-32L	
J	am	Clarified that signing a new fixed term tenancy agreement is not written agreement to increase rent above the annual allowable amount	2024-07-18
E	am	Updated to reflect new notice requirements for ending a tenancy for purchaser's use	2024-08-21
E	am	Updated to reflect new notice requirements for ending a tenancy for landlord's use	2025-06-18

Change notations
am = text amended or changed
del = text deleted
new = new section added