

# LEASE TERMS EXPLAINED: A SIMPLE GLOSSARY FOR RENTERS



# INTRODUCTION



Each clause in your lease document carries weight, and knowing what the words mean protects your rights. To start understanding your lease, you need to understand the terms used within it.

At Barr Development, we want renters in Kingston and Amherstview to feel confident when reviewing their leases.



# Lease Terms Every Ontario Renter Should Know:

## Tenancy Agreement

It is the legal contract between you and your landlord. In Ontario, most landlords must use the Ontario Standard Lease Form, which makes sure the rules are clear for both parties.

## Fixed-Term Lease

A lease that runs for a set period, often 12 months. At the end, your tenancy does not automatically stop. Instead, it converts to a month-to-month tenancy unless you and your landlord sign a new fixed-term lease.

## Month-to-Month Tenancy

Once the fixed term ends, you may keep living in the unit under the same conditions. Rent and responsibilities stay the same, and you only need to give 60 days' notice if you decide to leave.



## Rent Increase

Landlords must follow Ontario's rent increase guideline, set every year by the provincial government. They can only raise rent once every 12 months with 90 days' written notice. Some newer units are exempt, so always check your lease. View Ontario lease guideline [here](#).

## Last Month's Rent Deposit

Landlords cannot charge a damage deposit. They may only ask for a deposit equal to one month's rent, which is applied to your final month.

## Maintenance and Repairs

Landlords must keep the unit safe and in good condition. Tenants must keep the unit clean and avoid damage. If repairs are needed, landlords must complete them within a reasonable time.

## Termination Notice

Tenants must provide 60 days' written notice before moving out. Landlords can only end a tenancy for specific legal reasons such as needing it for personal use, and they must provide proper notice.

## Subletting

If you need to move temporarily, you may sublet your unit. A sublet requires your landlord's consent, but they cannot refuse without a valid reason.



## Guarantor

A guarantor is someone, often a parent or family member, who promises to cover rent if you cannot. This is common for students and first-time renters.

## Utilities

Your lease should state which utilities are included in your rent. If utilities are separate, ask your landlord for typical costs so you can budget.

## Rent Receipt

You are entitled to a rent receipt upon request. This applies no matter how you pay. Receipts are important for record-keeping and can help with tax credits like the Ontario Energy and Property Tax Credit.

## Assigning a Lease

This means transferring your lease to another tenant permanently. Unlike subletting, you give up your right to return. Landlords must allow assignment unless they have a valid reason to refuse.

## Early Termination Agreement

If you need to leave before your lease ends, you can negotiate an early termination agreement with your landlord. This is a mutual arrangement to end the lease without penalty.



## “N12” and “N11” Forms

Landlord and Tenant Board forms often appear in lease discussions.

- N12 is the landlord’s notice to end tenancy if they or a family member want to move in.
- N11 is a voluntary agreement signed by both landlord and tenant to end a tenancy early.

## Interest on Rent Deposits

In Ontario, landlords must pay annual interest on last month’s rent deposits. This matches the yearly rent increase guideline.

## Illegal Clauses

If a clause in your lease contradicts the Residential Tenancies Act, it cannot be enforced. For example, a landlord cannot say “no guests allowed” or “tenant pays all repairs.”

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*Take time to read your lease carefully and if you’re unsure, ask questions before you sign.*