Renting Out a Room in Your Home

If you are a homeowner considering renting out a spare room, you should become familiar with the laws regarding this living arrangement. While renting out a room can save you money, there are risks associated with being a landlord. This tipsheet will help you understand the laws relating to this living situation.





What are the advantages and disadvantages of renting out a room in my home?

Advantages

- You can use the rent money to offset mortgage payments and utility bills.
- If you live alone, having someone around may help you feel less alone or isolated.
- A tenant can help with onerous household duties (if you add this to your lease and your tenant agrees).
- Having someone around may help you feel more safe and secure. If you leave your home to go on holiday, someone will be around to help avoid things like potential break-ins, water leaks, and other problems.

Disadvantages

- You may need to adapt your lifestyle to accommodate your tenant.
- There is a risk you may not get along with your new tenant, even if you were friends before your living agreement.
- A tenant may affect your home insurance premiums.
- Rental income could affect your eligibility for federal and provincial social assistance.

If I rent out a room in my house, am I protected by the *Residential Tenancies Act* (*RTA*)?

If you rent out a room in your house to someone and share living space (such as a kitchen and/ or a bathroom), you are NOT covered by the *Residential Tenancies Act (RTA)*. This means the rental agreement between you and your tenant will apply during the tenancy.

What do I need to know about the RTA?

While the *RTA* does not apply to landlords and tenants in shared living situations, it can provide helpful guidelines for the terms of your rental agreement. Some issues that the *RTA* covers include:

- security deposits
- types of tenancy agreements
- notice periods to terminate (end) a tenancy
- inspections
- landlord and tenant obligations
- minimum standards of conduct for landlords and tenants

Should I have a written rental agreement?

Yes. While a verbal agreement is legal, a written agreement will provide a record of the terms the parties agree to. In a dispute, the terms of an oral agreement are much harder to prove.



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Can I write my own rental agreement?

Yes, you can, but there are many things to consider. A rental agreement (also known as a 'lease') is one of the most important documents a landlord uses. To help avoid legal problems, you can get a copy of a standard rental agreement from a local landlord association.

However, standard rental agreements do not cover many issues you must consider if renting out a room in your home. For example:

- Are there time constraints on when the tenant can use other parts of the house?
- When can your tenant have guests over?
- Will your tenant pay for their own groceries?
- Will your tenant use your telephone?
- Will the tenant use your computer or Internet?
- How will you handle cleaning duties for the shared spaces in the house?
- Are there any areas in your home that your tenant cannot enter?
- Does the rent include using the yard, laundry facilities, or garage?

Once you consider all the issues, you should find a qualified lawyer to review your rental agreement. While this may cost you more money in the short term, a detailed rental agreement may help save you time and money.

For more information on where to find forms or get legal help, refer to CPLEA's **Laws for Landlords and Tenants website**.

What should be in the rental agreement?

In addition to the issues covered in the earlier question, your rental agreement should include the following:

- the names of both you and your tenant and their contact information
- the address of your home
- the amount of the rent
- when the tenancy starts and when it will end
- when the rent is due, how it's paid, and to whom it's paid
- the amount of the security deposit
- any other fees (late fees, pet fees, key fees)
- if the tenant pays part of the cost of utilities, gas, electric, water, cable, internet, and trash collection
- who handles any other maintenance (cutting grass, shoveling snow)
- other conditions that apply to use of the property (such as smoking or non-smoking, or rules for common areas)
- what a security deposit covers (keys only, keys and damage, damage only, damage by pets only)
- details of how the tenancy may end, including notice periods
- what the rented property includes
- whether the rent includes a parking stall or storage in your house

The written rental agreement or lease should have all the promises you and your tenant have made to each other. It should not contradict what you have both agreed to and discussed.

Where can I get a standard rental agreement or other forms?

The Alberta Residential Landlord Association and the Calgary Residential Rental Association sell landlord forms. Some of these forms include:

- rental applications
- rental agreements (leases)
- move in and out inspections
- notices and statement of accounts

For more information, refer to CPLEA's **Laws for Landlords and Tenants website**.

I want to be sure that my tenant can afford the rent. What personal information can I request from a potential tenant?

Landlords must follow Alberta's *Personal Information Protection Act* in collecting, using, and disclosing tenants' personal information. Personal information is identifiable information such as:

- name, address and phone number (if it is unavailable in a public directory)
- business address, number and other contact information
- identification numbers
- credit card numbers and
- financial status and history, including the amount of rent the tenant pays

For more information, refer to the Office of the Information and Privacy Commissioner of Alberta (OIPC)'s Landlords and Tenants: Guidance on PIPA.

Website: **www.oipc.ab.ca** Telephone: 1-888-878-4044

What do I do if I have problems or disagree with my tenant?

Because the *RTA* does not cover landlords and tenants sharing a living space, you cannot access the same services as a landlord in a typical renting situation would.

Before looking for outside assistance, you should discuss the problem with your tenant and try to find a solution.

If you have a situation that you cannot deal with on your own, you may need to go to the Alberta Court of Justice to apply for a remedy.

I've heard that there is a service called the Residential Tenancy Dispute Resolution Service (RTDRS). Can I use this service as an alternative to going to court?

No. The RTDRS only deals with rental situations that the *RTA* covers.

How much notice must I give my tenant before evicting them?

The notice needed depends on the reason for the eviction and the terms in your rental agreement.

If you feel threatened, contact 911.

Can I take classes, attend workshops, or take a course to learn more about being a landlord?

Yes. Local landlord associations, such as the Calgary Residential Rental Association and the Alberta Residential Landlord Association, offer courses, workshops, and educational opportunities to landlords in Alberta. Before you register for a course, make sure that it will apply to situations where landlords and tenants share living space.

Contacts

Information, Advice and Assistance

Laws for Landlords and Tenants in Alberta

CPLEA's plain language website with everything landlords and tenants need to know about renting law in Alberta.

www.landlordandtenant.org

Email: info@cplea.ca

Calgary Residential Rental Association

Provides forms, workshops and information for landlords in rental situations under the *RTA*. An annual membership is required.

www.crra.ca

Phone: 403-265-6055

Alberta Residential Landlord Association

Provides forms, workshops and information for landlords in rental situations under the *RTA*. An annual membership is required.

www.albertalandlord.org/

Phone: 780-413-9773

Law Society of Alberta Lawyer Directory

This database allows people to find a lawyer using certain search criteria. Individuals can find a lawyer by searching by name, location, practice areas, language(s) spoken, gender, and whether a lawyer offers limited scope retainers.

www.lawsociety.ab.ca/public/findalawyer/

Office of the Information and Privacy Commissioner of Alberta

Provides information on the Personal Information Protection Act (PIPA).

www.oipc.ab.ca

Toll Free: 1-888-878-4044

Service Alberta's Consumer Contact Centre

Provides landlord and tenant information that relates to living situations only covered by the *RTA*, and is a resource for more general information and referrals relating to landlord and tenant matters.

www.servicealberta.ca

Toll Free: 1-877-427-4088 Phone: 780-427-4088



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