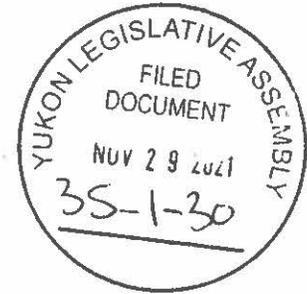


Yukon Residential Landlord Association
P.O. Box 31561, Whitehorse, Yukon Y1A 6L2



November 25, 2021

The Honorable Richard Mostyn
Minister of Community Services
Government of Yukon
PO Box 2703
Whitehorse, YT Y1A 2C6

Via email

RE: Potential Removal of the Landlord's Right to Issue 2 and 3 month Notices to Vacate

Dear Minister Mostyn,

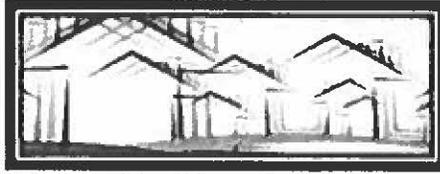
Further to our letter of November 15, 2021, the Yukon Residential Landlord Association (YRLA) would like to make its position clear to the Minister regarding recent discussions in the legislature that could potentially affect the *Residential Landlord and Tenant Act* (the "Act").

At this time, we are most concerned with current lobbying efforts seeking to have the Minister remove the landlord's right to end a tenancy using the 2 and 3 month notices to vacate. While these eviction notices (2 months notice required to evict under a month-to-month agreement and 3 months notice required to evict under a yearly agreement) are often referred to as "no cause" or "without cause" eviction notices, the YRLA asserts that no eviction is ever "without cause".

There are many reasons to end a lease but most often it involves a breach of the terms of the contract. The process for "with cause" (2 week notice) evictions creates uncertainty for the landlord given the length of the process (with rights to appeal) and given the fact the landlord cannot be certain of the ultimate outcome. For these reasons, our experience is that landlords prefer the 2 or 3 month notice period that provides a clean process with certainty as to the outcome.

One simple example that illustrates the concern with the removal of "without cause" evictions is in a situation where the landlord/tenant relationship has deteriorated and all trust between the parties has been compromised. This situation would be extremely difficult if not impossible to provide proof to meet the criteria for a "with cause" notice, leaving the landlord with no means to remove such a tenant. The inability to remove a tenant you cannot trust is a recipe for disaster and serves neither the tenant nor the landlord.

Landlords have absolutely no incentive to end a tenancy agreement prematurely. This is not only true for private landlords and NGO's, but even for government run housing initiatives that provide rental housing. Replacing tenants is time consuming, costly, and disruptive.



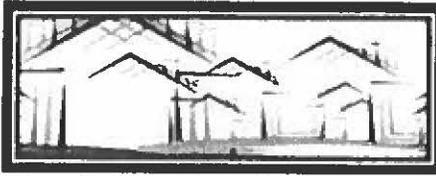
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The 2 and 3 month notices offer the tenant time to find another rental unit. If the landlord's right to evict using the 2 and 3 month notices is removed, as proposed by some lobbying groups, that leaves only "for cause" eviction notices available to landlords. The "for cause" eviction notices provide only 2 weeks of notice to the tenant to find another rental unit. It is not difficult to see that the removal of the 2 and 3 month notices to vacate could create potential hardship for the tenant, as opposed to protecting the tenant. In the current rental marketplace, this could have the unintended effect of rendering that tenant homeless and perpetuating the current crisis. We hope you can see how it makes no sense for either the tenant or the landlord to abolish the 2 and 3 month "without cause" notices to vacate.

We believe the Act is already balanced and fair. The current act was rewritten and refined as the result of much hard work and joint effort between government and key stakeholders (including multiple tenant advocacy groups). Proper consultation needs to take place in order to pre-emptively anticipate any unintended consequences and fallout that such changes inevitably cause.

We firmly believe:

- private landlords should be able to maintain full control over their investment property in order to be able to mitigate risks and to keep those landlords committed to providing rental housing;
- the ability of a landlord to provide a longer "without cause" eviction time, greatly reduces the chances of tenant retribution and retaliation on not only the landlord but on neighbors who may have complained;
- with a landlord's only option for eviction being a 2 week notice with cause, a tenants reputation can be tarnished when providing rental history on an application thus further preventing them from finding suitable housing in the future without falsifying an application.
- implementing a market wide policy that is specifically designed to assist only one small sector of the "harder to house" population is likely to have negative impacts on the rest of the marketplace;
- removing or restricting the landlords' ability to remove a tenant and mitigate their risk will result in fewer private landlords, fewer rental units and fewer new investors;
- restricting a landlord's ability to evict could have the effect of rewarding a tenant who may not be following the rules and penalizing both neighbors and landlord. Tenants must be kept accountable;
- additional restrictions placed on the landlord are more likely to result in increased sales or conversions of existing rental units;
- the two-week notice to vacate "for cause" not only creates uncertainty but adds additional hurdles for the landlord and does not allow the tenant sufficient time to find a new rental;



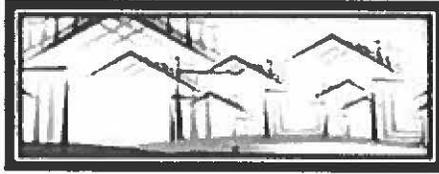
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- The issue demands full consultation with key stakeholders;
- Additional resources will be needed at the RTO Office to hire additional personnel to handle the increase in Applications for Dispute Resolution related to 2-week notices to vacate;
- The middle of a global pandemic is not the time to make things more difficult for landlords, especially when some landlords are already struggling because of the implementation of the rent cap in the highest period of inflation seen in twenty years.

We urge the Minister not to implement any changes without full consultation with key stakeholders. We are now experiencing some of the **unintended consequences of the rent cap** that was implemented, without consultation, earlier this year. Our collective experience is that the rent cap has wreaked havoc on an already extremely stressed rental marketplace. Rather than assisting tenants, our experience is:

- Some landlords have been put in the unenviable position of having to evict long-term tenants as their only means to legally increase the rental rate on those units in order to cover rising expenses;
- landlords who kept their rental rates affordable in past years are the ones most affected as they are not able to increase low rates adequately to offset the substantial increases to their expenses as a result of inflation (penalized for doing good);
- although rental rates are only allowed to increase 1%, we are experiencing the highest inflation seen in Canada in twenty years or more (at close to 5% inflation). The timing of the rent cap could not have been worse for landlords;
- landlords are not able to trust the rules won't be changed again without notice or consultation;
- some landlords are choosing to sell their rental units specifically due to the rent cap resulting in fewer rental units being made available;
- the rent cap was a social policy designed to protect more vulnerable tenants yet had the effect of a sledgehammer across the entire rental marketplace;
- the cap has caused uncertainty in a marketplace where new investors are desperately needed;
- the cap has created significant market turmoil;
- the cap results in less funds available to the landlord for renovations and general maintenance which ultimately results in lower quality rental units. This issue will grow exponentially over time and become yet another problem "for tomorrow".

We need to trust the government will not make changes without consultation; we need to be able to mitigate our risks through retaining ultimate control over our own expensive investments; we need to know the government supports and recognizes our contributions to providing housing for Yukoners by considering our perspectives as experts in the industry.



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As always, we are prepared to work with the government to find collaborative solutions to the current housing crisis. Please feel free to call on us at any time.

Respectfully,

Shannon Teja
President, YRLA