



Specified Unit Rehabilitation Scheme

Sometimes, as a landlord, you may find that certain units in your complex need fixing up. When a tenant voluntarily vacates (leaves) one of these units, you can apply to the branch to complete a **specified unit rehabilitation scheme**.

If your application meets all requirements, you may qualify for an exemption from rent regulation for up to two years (details below).

What do we mean by voluntarily vacated?

To qualify as voluntarily vacated, a tenancy must have ended by a tenant who:

- gives a notice of termination under subsection 87(2) of *The Residential Tenancies Act* (a tenancy agreement without a fixed term, for example month-to-month)
- doesn't renew their tenancy agreement after receiving a new tenancy agreement (renewal of tenancy agreement – fixed term)
- vacates the rental unit with the landlord's consent (fixed term)
- abandons the unit
- ends the tenancy because they: can't afford the rent any longer; move to a personal care home; have died or another tenant on the tenancy agreement has died

Note: Effective January 1, 2015, the definition of voluntary vacate makes it clear that tenants will not be considered to voluntarily vacate a unit if they have received a notice of termination and moved out of the unit because of that notice. This applies to notices given under the following sections of the act:

- Section 95 (termination for paying a deposit with an N.S.F. cheque)
- Section 95.1 (termination for non-payment of rent or tenant services charges)
- Section 96 (termination for causes other than failure to pay rent)
- Section 97 (termination re: caretaker or employee units)
- Section 98 (termination for sale or for landlord's use)
- Section 99 (termination for demolition, renovation or change of use)

What type of work will qualify?

You must complete major improvements that will substantially increase the quality of the unit and the work must include at least **four** of the following:

(see over)

- kitchen cabinets
- kitchen countertops and sink
- at least 75 per cent of all appliances
- at least 75 per cent of all bathroom fixtures
- at least 75 per cent of all flooring
- electrical wiring
- at least 75 per cent of all windows or patio doors
- any other improvement acceptable to the director

What is the step-by-step process?

The first step is to complete an application. In the application, you will need to:

- outline the work you plan to complete on the unit
- attach evidence that the tenant voluntarily vacated (left) the unit (notice of termination from the tenant, abandonment notice, etc).

After receiving your application, an officer will:

- inspect the rental unit
- inspect the complex if the branch hasn't inspected it in the past five years (the complex must be in a good state of repair)
- send out an initial order confirming that your application meets the requirements for a **specified unit rehabilitation scheme**. The order may include conditions, which can apply to:
 - the unit (relating to work in your application or issues the officer saw during the inspection) and/or
 - the complex (if the officer noticed any problems during the inspection)

When can I start the work?

After you get the initial order, you can complete the work. **Save all your invoices** as you must give the officer original invoices or invoice copies to confirm the cost of the rehabilitation work.

Once the work is complete, the officer will inspect the unit again. If the work is done and the conditions have been met (if you had any), the officer will approve the **specified unit rehabilitation scheme** and issue a final order. This order tells you how long the unit will be exempt from rent regulation.

How long is my rent regulation exemption period?

To figure out how long your rent regulation exemption period will be, the officer will total all of the invoices you submit, covering the costs of the work you completed on the unit.

If the cost per unit is:

- between **\$5,000.00 - \$7899.99**, the exemption period is one year.

- **\$7,900.00 or more**, the exemption period is two years.

How often can I apply?

When an order is made approving a **specified unit rehabilitation scheme**, you cannot apply for a similar scheme, on the same unit, for five years from the date your exemption period ends.

A maximum of 10% of the rental units in a residential complex may be exempt from rent regulation in a calendar year. For example, if your complex has 10 units or less, only one unit can be exempt. If the complex has 29 units, only two units can be exempt. Rounding is always down to the next whole number.

Does the application cost me money?

Each application for a **specified unit rehabilitation scheme** costs \$150.00 to file. This must be received by the branch before work can start on the application.

Questions? Need an application or more information?

If you need an application or have questions about a **specified unit rehabilitation scheme**, please visit or call the Branch office nearest you or visit our website at www.manitoba.ca/rtb and select “Fees and Forms”.

Winnipeg Office
Residential Tenancies Branch
1700 – 155 Carlton Street
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Brandon Office
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143-340 9th Street
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Toll Free: 1-800-656-8481
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Thompson Office
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113-59 Elizabeth Dr
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This information is available in multiple formats upon request.

Cette information existe également en français. Composez le 204-945-2476.