



Report To:	Manitoulin-Sudbury District Services Board
From:	Donna Stewart, Director of Integrated Social Services and Rhonda McCauley, Social Housing Program Supervisor
Date:	September 26, 2019
Re:	Single Family Property Sales & Impact on Tenancy – UPDATE

Purpose

To provide the Board with new information that was determined after the June 2019 Board meeting.

Background

On June 27, 2019, the Board approved the [Single Family Property Sales & Impact on Tenancy - Issue Report](#).

This report advised that where the DSB, as the landlord, enters into an agreement of purchase and sale for a single family unit and the Landlord, a Purchaser or a Family Member Requires the Rental Unit, the DSB as landlord could provide the tenant with a Notice to End Tenancy with a minimum of 60 days' notice.

Update

On July 28, 2019, the DSB staff were advised by the DSB's lawyer, that because the DSB is a corporation, the DSB cannot issue a Notice to End Tenancy for the reasons that the Landlord, a Purchaser or a Family Member Requires the Rental Unit, otherwise known as an N12.

Based on the above legal opinion, the following clauses were added to any offer/agreement of purchase and sale for single-family dwellings:

- The seller has no obligation to deliver vacant possession on closing.
- If the Purchaser wants vacant possession on closing, then the Purchaser shall bare the entire responsibility for obtaining same.
- The Purchaser acknowledges that the property is occupied by a residential tenant.
- If the purchaser is unable to obtain vacant possession on closing, the Purchaser must still close the transaction subject to the existing residential tenancy.

According to a legal interpretation, a purchaser may be able to issue a notice to vacate once all conditions on the sale of a property have been waived which could be prior to the actual closing date. Staff are recommending that any potential buyer obtain their own legal opinion before pursuing this approach.

Conclusion

The DSB wants to ensure that the residents of the Single-Family Dwellings are continually informed of the progress with respect to their homes and the DSB intention to sell.