

Residential Tenancies Tribunal

Application 2025-0215-NL

Oksana Tkachuk
Adjudicator

Introduction

1. Hearing was called at 1:47 p.m. on 10-April-2025.
2. The applicants, [REDACTED] and [REDACTED], hereinafter referred to as "the tenants", were represented by [REDACTED], who attended via teleconference.
3. The respondent, [REDACTED] hereinafter referred to as "the landlord", attended via teleconference.

Preliminary Matters

4. In establishing the residential tenancy relationship, I have considered tenant's and the landlord's testimony, and the email communications exchanged between them. Based on this evidence, I find that both parties entered into a rental agreement, and shortly thereafter, entered into the agreement involving the eventual purchase of the property.
5. The tenant referred to the arrangement as a rent-to-own agreement and considered the tenancy to be temporary, with the intention of purchasing the property under the second agreement. The landlord acknowledged the existence of the purchase agreement as well. Both parties also acknowledged that the tenants paid an amount of \$14350.00 at the outset of the arrangement, that exceeds the amount typically required for a security deposit and one month rent.
6. In light of these facts, I find that the nature of the agreement between the parties goes beyond the scope of a typical residential tenancy and falls within the category of a rent-to-own arrangement or agreement to purchase.
7. According to the section 1-8 of the *Residential Tenancies Policy*, rent-to-own and purchase agreements are not covered by the *Residential Tenancies Act, 2018*. Section 3(4)(k) of the Act states that the Act does not apply to an attornment clause in a mortgage or other instrument creating a security interest in the residential premises. As such, the Residential Tenancies Tribunal does not have jurisdiction to consider matters arising from this type of agreement.

Decision

8. The claim does not fall under the jurisdiction of the *Residential Tenancies Act, 2018*.

April 17, 2025

Date

Oksana Tkachuk, Adjudicator
Residential Tenancies Office