

Change of ownership and the lease

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A SUSPENSION of a lease should not cause any problem if both tenant and landlord agree to a temporary arrangement. The landlord may intend to carry out necessary repairs and renovations and, by agreement, the tenant temporarily vacates the dwelling.

The lease, whether oral or written, is said to be suspended. The tenant moves back to the dwelling under the same terms and conditions, resumes payment of rental and all rights, duties and responsibilities are reinstated.

What happens if there is a change of ownership during the period of suspension of lease? Can the new landlord prevent the tenant from moving back or increase the rental and security deposit?

The new owner steps into the shoes of the previous landlord without any change to the lease.

It therefore follows that the new landlord cannot prevent the tenant from taking occupation. Asking the tenant to pay a security deposit is not a legal requirement.

Should the landlord intend to increase the security deposit, a notice must be given to the tenant

drawing his or her attention to a written clause in the lease that allows for such an increase.

The landlord cannot present a new lease to the tenant or, in the case of an oral lease, require the tenant to sign a written lease.

Similarly, where a lease was suspended, the tenant is not legally obliged to enter into a new lease.

However, the tenant must abide by all the terms and conditions of the lease that existed prior to its suspension.

Rental, for example, must be paid in full, on time, at the place agreed to, and in the manner it was previously paid (cash, cheque or money order).

If the agreement were that the tenant would be responsible for internal maintenance, this obligation will continue.