

# Breaking a Lease



TENANT RESOURCE & ADVISORY CENTRE

Unit #150-900 Howe St  
Vancouver, BC V6Z 2M4

1-800-665-1185  
tenants.bc.ca

**“Breaking a lease”** refers to ending a fixed-term tenancy before the term is over and without cause under the Residential Tenancy Act (RTA). For example, if you signed a 1-year fixed term tenancy but gave notice to end the tenancy because you are moving to a new city after 6 months, you would be breaking your lease.<sup>1</sup>

If you break a lease, you might owe the landlord money, depending on the amount the landlord loses.<sup>2</sup>

**HOWEVER**, the landlord has a legal responsibility to minimize their losses by taking reasonable steps to re-rent the unit.

For example, the landlord should advertise the unit at a fair price, arrange viewings, and choose a new tenant within a reasonable period to minimize losing any rental income.<sup>3</sup>

You can help your landlord find a replacement tenant to minimize their loss. Consider using TRAC’s template letter “Finding a Replacement Tenant”.

**See the alternatives** to breaking your lease on the other side of this sheet to avoid having to pay your landlord for breaking your lease.

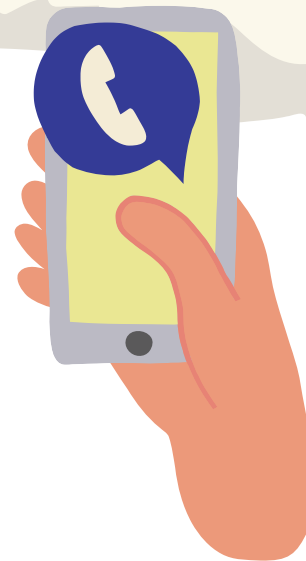
## Does your tenancy agreement/lease have a “liquidated damages” clause?<sup>4</sup>

If included, you may have to pay the landlord the **specified amount** when you break a lease, even if they do not suffer any loss.

**HOWEVER**, to be valid, the liquidated damages clause must be:

1. for a specified type of breach and resulting cost; and
2. a genuine pre-estimate of the loss that will be suffered in case of a breach, not a penalty for breaking the lease.

If the amount listed in a liquidated damages clause is equivalent to one month's rent or your deposit amount, it could be an indicator that it's not a genuine pre-estimate of the loss and therefore not an enforceable term.



Liquidated damages can be a complex topic.  
**Call TRAC** for more information!



## Common Lease-Breaking Scenarios and Potential Consequences

Landlord does **not minimize their losses** by trying to re-rent the unit.

→ Tenant may not owe any compensation.

Landlord almost immediately finds a new tenant at the same rent and **loses no rental income**.

→ Tenant may not owe any compensation.

Landlord takes reasonable steps to re-rent the unit and **loses one month** of rental income.

→ Tenant may owe one month of rent as compensation.

Landlord almost immediately finds a new tenant, but at a **lower monthly rent**.

→ Tenant may owe the difference between the two rents.

Landlord almost immediately finds a new tenant at a **higher monthly rent**.

→ Tenant may be able to “set off” the difference between the two monthly rents against any money owed for unpaid rent or damages.

If your tenancy agreement has a liquidated damages clause and the clause is determined to be valid, you might have to pay liquidated damages in addition to any compensation described in the above scenarios.



**FOR RENT**

## Ending a Tenancy without Breaking a Lease

### Mutual Agreement

By signing a mutual agreement, you and your landlord agree to end your tenancy early and forego any compensation that may be due.<sup>5</sup>

### Sublet or Assignment

Ask your landlord for permission to sublet or assign your lease to a new tenant.<sup>6</sup> Your landlord can't unreasonably deny your request for subletting if you have at least 6 months remaining in your lease.

### Breach of Material Term

A tenant can end their lease early when a landlord breaks a material term of the agreement. A material term is something that both parties deem so important that the slightest breach would end the agreement.

- The tenant must first notify the landlord of the breach and give them reasonable time to fix it.<sup>7</sup>

### Family Violence/Long-Term Care

A tenant can end their fixed-term lease early by providing one month notice and RTB-49 “Ending Fixed Term Tenancy Confirmation Statement” if they:

- Need to leave to protect themselves or their children from family violence; or
- Need to move into a long-term care facility.

TRAC receives ongoing support from:

English



Department of Justice  
Canada

Ministère de la Justice  
Canada

This is general information that applies to British Columbia, Canada. TRAC cannot guarantee that it is current or complete. This fact sheet is not meant as legal advice for specific legal problems. Use at your own risk and consult a lawyer if you need legal advice. V1 July, 2025.

### For More Information

- 1 See TRAC's webpage on 'Breaking a Lease'.
- 2 See Residential Tenancy Branch (RTB) Policy Guideline 3 on claims for rent and damages for loss of rent.
- 3 See RTB Policy Guideline 5 on duty to minimize loss.
- 4 See RTB Policy Guideline 4 on liquidated damages.
- 5 Consider using RTB-8 “Mutual Agreement to End a Tenancy”.
- 6 Consider using TRAC's template letter “Permission to Assign or Sublet”.
- 7 You can use TRAC's template letter “Failure to Comply with a Material Term” to provide written notice to your landlord.