

Abandoned Goods



LAWS FOR
**LANDLORDS
AND TENANTS**
IN ALBERTA



In Alberta, the *Residential Tenancies Act (RTA)* sets out what a landlord can do if the tenant leaves their items behind. Here is a quick guide on what you should know.

What are abandoned goods?

If your tenant has left goods behind and has:

- Abandoned the property or
- Vacated the property after the expiry or termination of the tenancy

Then the goods are considered abandoned goods.

Whether a tenant has indeed abandoned the rental premise depends on the facts of each situation. Before taking any steps to deal with a tenant's abandoned goods, a landlord must have "reasonable grounds" to believe that the tenant has abandoned the premises. Some reasons why a landlord may think that the tenant has abandoned the rental premises include:

- The rent has not been paid.
- The tenant's mail is no longer delivered to the premises or is not being picked up by the tenant.
- The utilities have been disconnected.
- The landlord does not see or hear from the tenant for a long period of time, despite multiple attempts to contact them.



Tip: Sometimes, there may be signs that a tenant has abandoned the property but has not actually done so – in such a situation, landlords can be held responsible for a tenant's damaged, destroyed and lost property. If you are unsure as to whether your tenant abandoned the premises, it is prudent for you to seek legal advice before dealing with his or her items.



What can a landlord do with the abandoned goods?

Goods with a market value of less than \$2,000

If you think the market value of the goods is less than \$2,000, then you can dispose of them.

Goods with a market value of \$2,000 and more

If you think the market value of the goods is \$2,000 and more, then you must store them for 30 days from the date that your tenant abandoned them. After 30 days, you can then sell the goods at a public auction or by private sale. In order to sell the goods by private sale, you must have court approval.

You can sell the goods without storing them for 30 days in the following situations:

- It is unsanitary or unsafe to store the goods
- The value of the goods will rapidly deteriorate in storage
- The cost to remove, store and sell the goods will be more than what you can sell them for



Tip: The market value of an item is the amount that it can be sold for in an open market. To determine market value for an item, landlords can do the following:

- research the internet looking for comparable items and prices
- check with various retail stores, auction houses, auctioneers and second hand stores

Landlords should always keep written records on the market value of any abandoned goods. If a dispute ever arises over abandoned goods, landlords must be able to prove their belief in the market value of the goods.

What if the tenant returns for the goods?

A tenant can return to get the goods. If you spent money on moving and storing the items, the tenant can reimburse you for those expenses. Once the tenant reimburses you for those expenses, you must return the goods.

A tenant cannot force you to give back the goods or force you to pay for the value of the goods if you have already disposed or sold them under the *RTA* rules.

What can I do with the money made from selling my tenants' abandoned goods?

When you sell your tenants' abandoned goods, you can use the money to:

- Reimburse yourself for the costs of moving, storing or selling of the goods; and
- Pay off the tenant's liabilities to you under the tenancy (for example, unpaid rent or damage to the property). You must follow the requirements in the *RTA* and *Residential Tenancies Ministerial Regulation*.



If there is any money left over after paying yourself back, then you must give the money to the Minister responsible for the *RTA*.



Tip: You may have different obligations under the law depending on your situation. For example, if a collection agency or similar organization has already gone to court and received permission to seize your tenant's abandoned goods, the rules for you to dispose of them under the *RTA* do not apply. The law on abandoned goods is complex. It is always a good idea for landlords to understand their responsibilities under the law. **Always seek legal advice if you are unsure of your legal rights and responsibilities.**

Record keeping

You must keep records of any storage, disposal, or sale for at least 3 years after the goods were returned to the tenant, sold or disposed of. Make sure you record the following information, depending on what you did with the goods.

Returned the goods to the tenant?	Sold the goods?	Disposed of the goods?
<p>Make sure you record:</p> <ul style="list-style-type: none">• Description of the goods• Where and how long you stored the goods• When you returned the goods• How much the tenant reimbursed you for removal and storage costs, if any	<p>Make sure you record:</p> <ul style="list-style-type: none">• Description of the goods• Where and how long you stored the goods• How much you sold them for• How much you reimbursed yourself for the costs of removal, storage, sale and amounts owed by the tenant• How much you sent to the Minister responsible for the RTA (if any)	<p>Make sure you record:</p> <ul style="list-style-type: none">• Description of the goods• Where and how long you stored the goods• How you disposed of the goods

Where to find help and information

Lawyer Referral Service

Provides contact information for lawyers who practice in your geographical area.

Toll free in Alberta: 1-800-661-1095

www.lawsociety.ab.ca/public/lawyer-referral/

Service Alberta

Government of Alberta ministry responsible for landlord and tenant matters. Learn more about the ministry and the Residential Tenancy Dispute Resolution Service (RTDRS) through their website.

Toll free in Alberta: 1-877-427-4088

www.servicealberta.ca

www.landlordandtenant.org

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