



Order under Section 69 Residential Tenancies Act, 2006

Citation: DREWLO HOLDINGS INC. v SERRATO ACEVEDO, ONLTB 0

Date: 2026-01-09

File Number: LTB-L-078909-25

In the matter of: 103, 420 NORTH ST
LONDON ON N6K2H6

Between: DREWLO HOLDINGS INC.

Landlord

And

LUZ SERRATO ACEVEDO

Tenant

DREWLO HOLDINGS INC. (the 'Landlord') applied for an order to terminate the tenancy and evict LUZ SERRATO ACEVEDO (the 'Tenant') because the Tenant did not pay the rent that the Tenant owes.

This application was heard by videoconference on December 11, 2025.

Only the Landlord's Representative, Anna Glen attended the hearing.

The Tenant was not present or represented at the hearing although properly served with notice of this hearing by the LTB. There was no record of a request to adjourn the hearing. As a result, the hearing proceeded with only the Landlord's evidence.

Determinations:

1. The Landlord served the Tenant with an invalid Notice to End Tenancy Early for Non-payment of Rent (N4 Notice). The N4 Notice indicates the arrears owing is \$833.44 for the period from August 1 to 31, 2025 and it was given to the Tenant on August 13, 2025. The Landlord's representative received a payment on August 1, 2025 via the an automatic withdrawal pre-authorized by the Tenant. The Landlord's Representative also indicated the payment made on August 1, 2025 was applied to the Tenant's old balance for rent charges owing in July 2025.
2. In Divisional court decision *Malva Enterprises Inc. v. Rosgate Holdings Ltd*, [1993] O.J. No. 1724, where a tenant specifically directs that payment of current rent is being made, the landlord cannot apply that amount to the arrears. While I recognize the Landlord is receiving the payment through pre-authorized withdrawals from the Tenant's banking account, the preauthorization for each month is expected to be applied to the month in

which the payment is received since a preauthorized from the Tenant reflects the Tenant's intent for future obligation to pay rent not a past one. The N4 nor the L1 application reflects July 2025 rent charges to be owing, and thus the Landlord applying the August payment to a prior month and giving the N4 Notice requiring the Tenant to pay August rent charges twice causes confusion. The confusion was also compounded by the information on the L1 application which reflects August rent charge was paid.

3. On the face of the N4 Notice, the information was inaccurate and without the Tenant's confirmation that they understood the content of the N4 Notice, I was not prepared to find the N4 Notice substantially complied as a valid notice of termination.
4. Subsection 59(2) of the *Residential Tenancies Act, 2006* (the 'Act') sets out the requirements of a valid N4 Notice of Termination for non-payment of rent: The notice of termination shall set out the amount of rent due and shall specify that the tenant may avoid the termination of the tenancy by paying, on or before the termination date specified in the notice, the rent due as set out in the notice and any additional rent that has become due under the tenancy agreement as at the date of payment by the tenant.
5. Pursuant to subsection 43(2) of the Act, the notice of termination is also required to "set out the reasons and details respecting the termination".
6. Board Interpretation Guideline 10 explains the consequences of an invalid notice of termination as follows, in part: "The Notice of Termination (the Notice) is an essential step in the landlord's process of evicting a tenant¹ (except section 77 and 78 applications). The Board will not terminate a tenancy and order eviction of the tenant unless the tenant has received a valid Notice of Termination from the landlord and the landlord has successfully proved the ground claimed in the Notice at the hearing of the application."
7. I find that the content of N4 Notice is not accurate due to the ambiguity created from the Landlord's accounting practises. The Landlord's request for an eviction order under the L1 application is therefore denied.

It is ordered that:

1. The application is dismissed.

January 9, 2026
Date Issued

Sandra Macchione
 Vice Chair, Landlord and Tenant Board

15 Grosvenor Street, Ground Floor
 Toronto ON M7A 2G6

If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.