



Order under Section 57 Residential Tenancies Act, 2006

Citation: LALA v DHALI WAL, 2026 ONLTB 12010

Date: 2026-02-11

File Number: LTB-T-033036-25

In the matter of: PH11, 50 BRUYERES MEWS
TORONTO ON M5V0H8

Between: KOSTIKA LALA Tenant
ILINCA OPRESCU

And

RANJIT DHALI WAL Landlord

KOSTIKA LALA and ILINCA OPRESCU (the 'Tenant') applied for an order determining that RANJIT DHALI WAL (the 'Landlord') gave a notice of termination in bad faith.

This application was heard by videoconference on December 9, 2025.

The Landlord's Legal Representative Dharshini Dhurairatnam, Landlord's Agent Amanpreet Kaur, Tenant Kostika Lala, and the Tenant Ilinca Oprescu attended the hearing.

When the capitalized word "Tenant" is used in this order, it refers to all persons identified as a Tenant at the top of the order.

Determinations:

1. As explained below, the Tenant proved the allegations contained in the application on a balance of probabilities. Therefore, the application is granted.
2. Subsection 57(1)(a) of the *Residential Tenancies Act, 2006* (the 'Act') requires the Tenant to prove each of the following on a balance of probabilities:
 - The Landlord gave the Tenant an N12 notice of termination under section 48 of the Act;
 - The Tenant vacated the rental unit as a result of the N12 notice of termination;
 - No person referred to in subsection 48(1) of the Act occupied the rental unit within a reasonable time after the Tenant vacated; and
 - The Landlord served the N12 notice of termination in bad faith.
3. The parties agreed, and I find as fact, that the Landlord served an N12 notice of termination on February 15, 2024, with a termination date of April 30, 2024, stating that the rental unit was required for the Landlord's son's own use.

4. The parties also agreed, and I find, that the Tenant vacated the rental unit on May 1, 2024 as a result of the N12 notice.
5. It is further undisputed that no person described in subsection 48(1) of the Act, including the Landlord's son, occupied the rental unit within a reasonable time after the Tenant vacated. The unit remained vacant for several months and was later re-rented to a new tenant in February 2025.
6. As a result, subsection 57(5) of the Act applies, and the N12 notice is presumed to have been given in bad faith unless the Landlord establishes otherwise on a balance of probabilities.

Change in Circumstances

7. The Landlord relies on an alleged change in circumstances to rebut the presumption of bad faith, specifically that the Landlord's son decided not to attend Toronto Metropolitan University and instead enrolled at Wilfrid Laurier University.
8. I accept that a genuine and unforeseen change in circumstances can, in appropriate cases, rebut the presumption of bad faith. However, the relevant inquiry is not simply whether a change occurred at some point, but when the change occurred, whether the Landlord remained in good faith up to the date the Tenant vacated, and whether the Landlord acted reasonably once the change arose.
9. The timing of events is critical. The N12 notice was served on February 15, 2024. The Tenant vacated the rental unit on May 1, 2024.
10. The Landlord's son testified that he was accepted to Wilfrid Laurier University in June 2024. He could not provide a specific date of acceptance, documentary confirmation, or clear evidence as to when he decided not to attend Toronto Metropolitan University.
11. On the Landlord's own evidence, therefore, the alleged change in circumstances occurred after the Tenant had already vacated the rental unit.
12. As a result, the Landlord has not established that the N12 notice was given and relied upon in good faith up to the date the Tenant vacated, which is the legally relevant period under the Act. Events occurring after the Tenant has vacated cannot retroactively cure a lack of good faith.
13. Moreover, in my view, the Landlord's subsequent conduct undermines the credibility of that explanation. The Landlord did not inform the Tenant that the plan for the son to occupy the unit had changed, nor did the Landlord offer the Tenant an opportunity to remain in the rental unit or to withdraw the notice of termination.
14. Instead, the Landlord allowed the Tenant to vacate the unit knowing that the stated purpose of the N12 might no longer be achievable. This omission is inconsistent with good-faith conduct under the Act.

15. I also place significant weight on the Landlord's actions after the Tenant vacated. The evidence shows that the unit was marketed for lease by August 2024, including online listings and a promotional video showing the unit vacant.
16. This marketing occurred several months before the academic year and without any evidence of a continued plan for the Landlord's son to occupy the unit.
17. Ultimately, the rental unit was leased to a new tenant in February 2025 at a rent lower than that paid by the Tenant. While renting at a lower rent does not, by itself, establish bad faith, it further demonstrates that the unit was never occupied, or seriously intended to be occupied, by the Landlord's son.
18. I find that the Landlord's evidence regarding the son's educational plans was vague, unsupported by documentation, and insufficient to explain why the Tenant was required to vacate when no qualifying occupant ever took possession of the unit.
19. Considering the totality of the evidence, including the timing of the alleged change in circumstances, the lack of communication with the Tenant, and the decision to re-rent the unit rather than preserve it for the stated purpose, I find that the Landlord has failed to rebut the statutory presumption of bad faith.
20. I therefore find, on a balance of probabilities, that the Landlord served the N12 notice in bad faith within the meaning of the Act.

Remedies

21. The Act authorizes the Board to order compensation where a notice of termination is given in bad faith. In determining the appropriate remedies, I have considered the seriousness of the Landlord's conduct, the impact on the Tenant, and proportionality.
22. The Tenant sought compensation for increased rent, moving expenses, general compensation, and that the Landlord pay a fine into the Board.

Difference in Rent

23. The Tenant testified that they secured a new rental unit at a rent that was \$300.00 higher per month than the rent they paid for the rental unit. This evidence was not meaningfully disputed. I therefore find that the Tenant incurred increased rent of \$300.00 per month.
24. I find it reasonable to award increased rent for a period of twelve months following the Tenant's move. Accordingly, I order the Landlord to pay the Tenant \$3,600.00 for increased rent.

Expenses and Costs

25. The Tenant also claimed \$2,500.00 in moving and related expenses. The evidence supports actual out-of-pocket moving costs, including vehicle rental and associated expenses, in the amount of \$1,000.00. The balance of the claim relates to unproven or non-compensable losses, such as time taken off work by friends and family. I therefore award \$1,000.00 for reasonable moving expenses.
26. The Tenant is also entitled to recover the \$48.00 application filing fee.

General Compensation

27. The Tenant sought \$35,000.00 in general compensation. While I decline to award that amount, I find that an award of general compensation is warranted given the disruption, stress, and loss of housing caused by the Landlord's bad faith conduct.
28. Taking into account the nature of the Landlord's conduct, the impact on the Tenant, and the other monetary remedies ordered, I find that general compensation of \$5,000.00 is fair, proportionate, and consistent with Board jurisprudence.
29. Although the Act permits the Board to impose an administrative fine payable to the Board, I decline to do so in this case. I am satisfied that the award of general compensation adequately reflects the seriousness of the Landlord's conduct.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$9,648.00. This amount represents:
 - \$3,600.00 for increased rent the Tenant has incurred for the one-year period from May 2024 to April 2025.
 - \$1,000.00 for the reasonable moving, storage and other like expenses that the Tenant has incurred as a result of having to move out of the rental unit.
 - \$5,000.00 for general compensation.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenant the full amount owing by February 22, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by February 22, 2026, the Landlord will owe interest. This will be simple interest calculated from February 23, 2026, at 4.00% annually on the balance outstanding.

4. The Tenant has the right, at any time, to collect the full amount owing or any balance outstanding under this order.

February 11, 2026
Date Issued

Kyle Anderson
Member, Landlord and Tenant Board

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