Order under Section 78(11)
Residential Tenancies Act, 2006

Citation: EM CANADA INVESTMENT LIMITED v REID, 2026 ONLTB 13867
Date: 2026-02-11
File Number: LTB-L-105725-25-SA

In the matter of: 104, 2559 BLOOR ST W
TORONTO ON M6S1S2

Between: EM CANADA INVESTMENT LIMITED Landlord

And

TODD REID Tenant

EM CANADA INVESTMENT LIMITED (the 'Landlord') applied for an order to terminate the tenancy and evict TODD REID (the 'Tenant') and for an order to have the Tenant pay the rent they owe because the Tenant did not meet a condition specified in the order issued by the LTB on June 13, 2025 with respect to application LTB-L-014660-25.

The Landlord's application was resolved by order LTB-L-105725-25, issued on January 6, 2026. This order was issued without a hearing being held.

The Tenant filed a motion to set aside order LTB-L-105725-25.

This motion was heard by videoconference on January 27, 2026.

The Landlord's legal representative, Bill Burd, the Landlord’s agent, Dion Bowman, and the Tenant attended the hearing.

Determinations:

1. The Landlord filed an L1 application for non-payment of rent which was resolved by an agreement on consent facilitated by a Dispute Resolution Officer in order LTB-L-014660-25 issued ON June 13, 2025
2. The order provided that the Landlord could apply to the Board under section 78 of the Act without notice to the Tenant to terminate the tenancy and evict the Tenant if they failed to make the payments specified in the order.

<u>The Breach of the Order</u>

3. The breach found pursuant to the Landlord's L4 application was that the Tenant failed to pay the lawful monthly rent due on December 1, 2025.

4. The Tenant did not dispute that the December rent was not paid in full on or before December 1, 2025.

<u>The Tenant's Motion</u>

5. It was undisputed that the Applicant Landlord named in order LTB-L-014660-25 was Joni Blanshard ('the former landlord') and that the present Landlord EM Canada Investment Limited ('the current Landlord') purchased the residential complex containing the rental unit on November 28, 2025.

6. It was the Tenant's position that the current Landlord is estopped from seeking eviction due to a breach of the order that was entered into with the former landlord. The Tenant relied on the "Tenant Estoppel" document signed between the Tenant and the former landlord on November 4, 2025. The document was required as part of the Purchase and Sale agreement between the former landlord and the current Landlord. Specifically, the Tenant relied on paragraphs 1, 3 and 4 of that document which state:

    1. The Lease has been validly executed and delivered by the Tenant. The Lease is unmodified, except as set forth above and is in full force and effect and in good standing.

    3. The Tenant is not in default of any of its obligations under the Lease.

    4. There is no outstanding dispute between the Tenant and the Landlord in respect of the Lease or Premises

7. The Tenant submitted that the former debt was null and void upon signing of the estoppel and the current Landlord cannot collect on debt they did not acquire.

8. I disagree with the Tenant's position and find that the Tenant is not released from his obligation to honour the payment agreement in order LTB-L-014660-25. I say this for the following reasons.

9. Section 18 of the Residential Tenancies Act, 2006 (the 'Act') states: "Covenants concerning things related to a rental unit or the residential complex in which it is located run with the land, whether or not the things are in existence at the time the covenants are made". What this means is that when a sale of a rental unit is completed a new landlord steps into the shoes of a former landlord and the tenancy continues on the <u>same terms and conditions.</u>

10. Any financial agreements between the former landlord and the current Landlord with respect to liquidated debt pursuant to the sale is of no concern to this Board . The fact remains that the Tenant owed arrears and agreed to abide by terms to pay back those arrears as well as pay all new rent due in full and on time until the arrears were paid.

11. Therefore, the terms and conditions of the mediated agreement that the parties entered into carried over to the new Landlord <u>unless</u> the Tenant had paid all arrears and fees

owing to the former landlord prior to the sale of the unit. That was not the case here and the Tenant was still making payments towards the arrears at the time of the sale.

12. At the time the Tenant signed the estoppel, he was complying with the terms of the mediated agreement terms, so the statements made in paragraphs 1, 3, and 4, of the document were true and correct at that time. There were no outstanding disputes between the Tenant and the former landlord because their dispute had already been settled by the consent order issued on June 13, 2025.

13. This motion is brought pursuant to subsection 78(11) of the Act. As I am satisfied that the Tenant is not released from their obligation to honour the consent terms which resolved the former landlord's application on order LTB-L-014660-25 issued on June 13, 2025, and I am further satisfied Tenant breached the order, the only issue before me is whether I am "satisfied, having regard to all the circumstances, that it would not be unfair to set aside the order".

14. The circumstances here are that the Tenant had been caring for a terminally ill family member who just recently passed away. The Tenant stated their focus has been on their family member; however, the Tenant can now focus on getting back on track with rent and would like to preserve their tenancy. The Tenant has lived in the rental unit since September 2018. The Tenant maintained that he has the available funds to pay February rent on February 1, 2026, and all remaining arrears by February 3, 2026.

15. There was no dispute that the Tenant owes the Landlord December and January rent as well as a $20.00 NSF fee for a total of $1,913.44.

16. I have considered that the Tenant stated he has the available means to pay not only the past due rent owing to January 31, 2026, but also new rent for February 2026 in a matter of days. I have also considered that this is a 7+ year tenancy.

17. Given all of the above, and after considering all of the circumstances, I find that it would not be unfair to set aside the eviction order and replace the original consent agreement with a conditional order requiring the Tenant to pay the arrears and their February rent subject to the Landlord's right to file an application for eviction in the event of a breach. An order will issue accordingly.

It is ordered that:

1. The Tenant's motion is granted. Order LTB-L-105725-25, issued on January 6, 2026, is set aside and cannot be enforced.

2. Order LTB-L-105725-25, issued on January 6, 2026, is cancelled and replaced with the following order.

3. On or before February 1, 2026, the Tenant shall pay the lawful rent of $946.72.

4. On or before February 3, 2026, The Tenant shall pay to the Landlord a total of $1,913.44 for arrears of rent up to January 31, 2026, and the Landlord's NSF administration fee of $20.00.

5. If the Tenant fails to make either of the payments in accordance with this order, the outstanding balance of any arrears of rent and costs to be paid by the Tenant to the Landlord pursuant to paragraph 4 of this order shall become immediately due and owing and the Landlord may, without notice to the Tenants, apply to the Board pursuant to section 78 of the Act for an order terminating the tenancy and evicting the Tenant and requiring that the Tenant pay any new arrears, NSF fees and related charges that became owing after January 31, 2026.. The Landlord must make this application no later than 30 days after the Tenants' failure to make a payment

February 11, 2026
Date Issued

Melissa Anjema
Member, 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.