



Order under Section 69 Residential Tenancies Act, 2006

File Number: LTB-L-063176-25

In the matter of: Unit 2--8 Blackforest Lane
Oro- Medonte ON L0L2L0

Between: Judy McArthur Landlord

And

Nicholas Schaefer Tenant

Judy McArthur (the 'Landlord') applied for an order to terminate the tenancy and evict Nicholas Schaefer (the 'Tenant') because:

- the Landlord in good faith requires possession of the rental unit for the purpose of residential occupation for at least one year.

This application was heard by videoconference on November 18, 2025, and February 13, 2026.

The Landlord and the Tenant attended the hearing.

Preliminary issue:

1. At the outset of the hearing, the parties consented to amend the application to correct the rental unit number. The application is amended accordingly, and the correction is reflected in this order.
2. At the hearing, the Tenant raised the issue regarding the payment of compensation.
3. On April 30, 2025, the Landlord gave the Tenant an N12 notice of termination with the termination date of June 30, 2025. The Landlord claims that they require vacant possession of the rental unit for the purpose of residential occupation by herself.
4. The Tenant testified that at 7:05 p.m. on November 17, 2025, the Tenant received an Interac e-Transfer from the Landlord in an amount equal to one month's rent. The Tenant testified that the message attached to the transfer referred to "*April 30, 2025, and N12 payment.*" The Tenant testified that the transfer had not been accepted as of November 18, 2025, and that no compensation had been received on or before June 30, 2025.
5. The Landlord's position was that the one-month compensation requirement was satisfied, or could be satisfied, either by the Interac e Transfer or by treating the May 2025 rent as

waived. The parties agreed that the monthly rent effective May 1, 2025, was \$969.20. The Landlord testified that she informed the Tenant on July 30, 2025, that she would credit the Tenant the May 2025 rent arrears as N12 compensation. The evidence also included a text message dated July 30, 2025, in which the Landlord indicated that the May 2025 rent was waived.

6. Section 49.1 of the *Residential Tenancies Act, 2006* (the 'Act') requires a landlord who has served an N12 notice to give the tenant compensation in the amount of one month of rent.
7. Section 55.1 of the Act requires a landlord who is obligated to give compensation to a tenant under s.49.1 to pay that compensation no later than the termination date in the N12 notice.
8. Subsection 83(4) of the Act provides that "The Board shall not issue an eviction order in a proceeding regarding termination of a tenancy for the purposes of residential occupation... until the landlord has complied with section 48.1, 49.1, 52, 54 or 55, as the case may be."
9. In this case, the Landlord did not pay compensation on or before the termination date of June 30, 2025, specified in the N12 notice. The evidence is that the first compensation tendered by the Landlord was the July 30, 2025, text message indicating that May 2025 rent would be waived as compensation, followed by the Interac e-Transfer sent on November 17, 2025. Neither occurred on or before June 30, 2025. Whether characterized as a late payment, a late waiver, or both, the evidence establishes that the Landlord did not compensate the Tenant by the termination date, as required by section 55.1.
10. Because the compensation requirement was not met within the statutory timeline, the Board is prohibited from issuing an eviction order in this proceeding. The application is therefore dismissed.
11. As compensation was provided in connection with the N12 and I am dismissing the application, section 73.1(1) requires that the Tenant repay the compensation to the Landlord.

It is ordered that:

1. The Landlord's application is dismissed without consideration of its merits.
2. Pursuant to subsection 73.1(1) of the Act, the Tenant shall immediately pay back to the Landlord compensation the Landlord paid the Tenant under subsection 48.1 of the Act.

February 25, 2026
Date Issued

Joy Xiao
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.