



Order under Section 69 Residential Tenancies Act, 2006

Citation: Dhawan v Hirst, 2026 ONLTB 7787

Date: 2026-02-27

File Number: LTB-L-054609-25

In the matter of: A, 176 KENNETH AVE
KITCHENER ON N2A1W2

Between: Rajiv Dhawan Landlords
Monika Dhawan

And

Erin Mary Hirst Tenant

Rajiv Dhawan and Monika Dhawan (the 'Landlords') applied for an order to terminate the tenancy and evict Erin Mary Hirst (the 'Tenant') because the Landlords have entered into an agreement of purchase and sale of the rental unit and the purchaser in good faith requires possession of the rental unit for the purpose of residential occupation. The Landlords also claimed compensation for each day the Tenant remained in the unit after the termination date.

This application was heard by videoconference on November 3, 2025 and January 16, 2026.

The Landlords, the Landlords' witnesses, Yadvender Dhull and Vivek Nayyar, the Landlord's representative, Kashif Ali, the Tenant, the Tenant's witness, Brady Hirst, and the Tenant's representative, Barrett Beaudoin, attended the hearing.

Determinations:

Preliminary Issues

Application is amended

1. The parties confirmed that the Landlords collected a rent deposit in the amount of \$1,400.00 on July 24, 2017. Given that the application stated that the rent deposit was collected on July 24, 2025, I exercised my discretion to amend the application to reflect that the rent deposit was collected on July 24, 2017.

Late disclosure of Landlords' evidence

2. The Landlords' representative sought to rely on evidence that was served and filed one day before the hearing which he stated were relevant to the proceedings, namely:
 - a) Home inspection report [Doc 6712521] regarding an inspection that took place on October 31, 2025 (i.e. three days before the hearing); and
 - b) The Purchaser's application for divorce [Doc 6712514] issued on September 13, 2025.
3. The Tenant's representative stated that he had not had an opportunity to review those two documents and that the late service prevented the Tenant from possibly summoning witnesses (i.e. purchaser's wife) to confirm the veracity of the documents.
4. While the Tenant's representative was not opposed to allowing the home inspection report, he opposed allowing the Purchaser's divorce application, stating that since the Purchaser's divorce lawyer, Harleen Juneja, also acted for the Landlords on various other matters before the LTB and was acquainted with the Landlords' representative, there was no reason why the Purchaser's divorce application could not have been produced earlier. He subsequently stated that he did not see that the divorce application was particularly relevant, given that the intention was simply to corroborate the anticipated testimony of the Purchaser as to his reasons for moving into the unit.
5. Based on the submissions of the representatives, I exercised my discretion to allow the late disclosure of the Landlords' evidence on the understanding that should the Tenant's representative conclude that it was necessary to summons an individual regarding the divorce application, the parties would likely have to attend on another day.
6. The matter was stood down briefly to allow the Tenant's representative an opportunity to review the late disclosure and obtain instructions from the Tenant. Thereafter, the Tenant's representative requested that the Tenant be allowed to serve and upload three short videos regarding ongoing maintenance issues, which request was not opposed by the Landlord's representative, provided that he be allowed time to review the videos if necessary.

The application

7. As explained below, the Landlords has proven on a balance of probabilities the grounds for termination of the tenancy. Therefore, the tenancy between the Landlords and the Tenant is terminated.
8. The Tenant was in possession of the rental unit on the date the application was filed.
9. The rental unit is located on the main floor of a detached home, which houses a second rental unit in the basement. The basement unit is unoccupied.
10. The tenancy commenced on August 1, 2017 and the lawful monthly rent is \$1,425.00.
11. The Landlords served two previous N12 notices on the Tenant, one on November 4, 2022 and one on November 7, 2022. The November 4, 2022 notice contained an error so it was replaced with the November 7, 2022. Both notices indicated that the Landlords intended to

move into the unit. Although the Landlords proceeded to file an L2 application based on the November 7, 2022 N12 notice, that application was subsequently withdrawn three years later because the Landlords decided to sell the residential property instead.

12. It is undisputed that on June 9, 2025, the Landlords gave the Tenant an N12 notice of termination with the termination date of August 31, 2025. The notice was given on behalf of the Purchaser who claims that he requires vacant possession of the rental unit for the purpose of his own residential occupation.
13. The Landlords met the requirements under section 72(1) of the *Residential Tenancies Act, 2006* (the 'Act'), by filing with the Board a sworn affidavit signed by the Purchaser stating that he requires the rental unit for his own personal use, in good faith, for a period of no less than one year.
14. It was also undisputed that the Landlords compensated the Tenant the amount equal to one month's rent by August 31, 2025 as required by s. 48.1 and 55.1 of the Act which requires that the Tenant be compensated an amount equal to one month's rent by the termination date of August 31, 2025.
15. The Landlords submit that the L2 application has been brought in good faith, that there is a genuine intention for the purchaser to live in the rental unit and request that the tenancy be terminated as soon as possible.
16. The purchaser, Yadvender Dhull, testified that while he currently lives abroad, he previously lived in Ontario for nineteen years, including Guelph. Following the breakdown of his marriage, he decided to return to Ontario to start anew. He was acquainted with the Landlords through mutual friends and the Indian community and decided to purchase their property because properties in the GTA were too expensive and he likes the Waterloo area. He plans to bring his parents to Canada. While he is currently not working, he has income from other properties he sold as well as family money. He plans to reinstate his accounting license upon return to Canada.
17. The Landlords' realtor, Vivek Nayar, testified that he was acquainted with the purchaser for several years prior to the purchaser contacting him about purchasing the residential property. He was aware that the Landlords and the purchaser knew each other. He confirmed that he disclosed to purchasers the history of the tenancy and the multiple LTB applications regarding same.
18. The Landlord, Rajiv Dhawan ('RD'), testified that the Landlords bought the residential property in November 2021 after a previous sale fell through because their daughter was going to be attending university in the area. Although the previous Landlord had served an N12 notice on the Tenant and filed an L2 application, the Landlords served their own N12 notice after the sale closed, mistakenly believing that the previous N12 notice was no longer valid. Although they filed their L2 application in November 2022, the Landlords withdrew that application in 2025 because they still had not moved into the property and they could not deal with the Tenant anymore. They sold the property instead.
19. RD confirmed that he knew the purchaser through the Indian community. His realtor told him the purchaser was interested in buying the rental property. He stated that the purchaser

refuses to close the sale, however, until the property is vacant and that this is causing the Landlords significant financial stress.

20. The Tenant's position is that she believes the Landlords are not acting in good faith and seeks as much time to vacate if the Landlords' application is granted.
21. The Tenant believes that the Landlords and the purchaser are working together to evict her, stating that it was suspicious that the purchaser bought the rental property without an inspection and that there were comparable, less expensive, untenanted properties in the area that he could have bought. She believes that the Landlords are trying to evict her because her rent is well below market rent.
22. The N12 notice was served pursuant to section 49 of the Residential Tenancies Act, 2006 (Act). Section 49(1) requires that, in order to be successful in this application, the Landlords must establish that at the time of the service of the N12 notice, the purchaser required, in good faith, the unit for residential use.
23. In *Feeny v. Noble*, 1994 CanLII 10538 (ON SC), 19 O.R. (3d) 762, the Ontario Divisional Court considered this issue in the context of subsection 103(1) under the Landlord and Tenant Act, R.S.O. 1990, c. L.7, and held that:

“...the test of good faith is a genuine intention to occupy the premises and not the reasonableness of the landlord's proposal”.
24. This principle was upheld in *Salter v. Beljinac*, 2001 CanLII 40231 (ON SCDC), where the Divisional Court held that the “good faith” requirement simply means that the Landlords sincerely intend to occupy the rental unit. The Landlords may also have additional motives for selecting a particular rental unit, but this does not affect the good faith of the Landlord's notice.
25. More recently, in *Fava v. Harrison*, 2014 ONSC 3352 (CanLII), the Divisional Court determined that while the motives of the Landlords are, per *Salter*, “largely irrelevant”, the Board can consider the conduct and motives of the Landlords to draw inferences as to whether the Landlords desire, in good faith, to occupy the property.
26. I have considered all of the evidence presented at the hearing and all of the oral testimony and although I may not have referred to each piece of evidence individually or referenced all of the testimony, I have considered it when making my determinations.
27. In this case, the Landlords testified that while they initially bought the property with the intention of moving in, it is now four years later, and they still have not been able to move in. As such, they have sold the property. The purchaser testified that he intends to live in the rental unit for at least a one-year period following the breakdown of his marriage.
28. Based on the evidence and submissions before me, I am satisfied that there is a genuine intent for the purchaser to move into the rental unit after the Tenant vacates the unit. While the Tenant offered reasonable suspicions, which are genuinely held by her, they remain, in my view, mere suspicions. I am not satisfied that they are sufficient to cast doubt on the Landlords' intentions or those of the purchaser. The purchaser provided a declaration as

required by the Act and the Landlords, their realtor and the purchaser testified at the hearing regarding their intentions. I have no reason to doubt the truthfulness of the testimony of the Landlords, their witness or the purchaser or their good faith intentions. I am satisfied, on a balance of probabilities, that the Landlords require possession of the rental unit in good faith for the purchaser's own residential occupation and that he genuinely intends to reside in the unit for at least one year.

29. Therefore, I find that the Landlords in good faith require possession of the rental unit for the purpose of the purchaser's own residential occupation.

Daily compensation and rent deposit

30. The Tenant was required to pay the Landlords \$6,352.14 in daily compensation for use and occupation of the rental unit for the period from September 1, 2025 to January 16, 2026.
31. Based on the monthly rent, the daily compensation is \$46.03. This amount is calculated as follows: \$1,400.00 x 12, divided by 365 days.
32. The Landlords collected a rent deposit of \$1,400.00 from the Tenant and this deposit is still being held by the Landlords. Interest on the rent deposit, in the amount of \$217.26 is owing to the Tenant for the period from July 24, 2017 to January 16, 2026.

Relief from eviction

33. I have considered all of the disclosed circumstances in accordance with subsection 83(2) of the *Residential Tenancies Act, 2006* (the 'Act'), and find that it would not be unfair to postpone the eviction until March 31, 2026 pursuant to subsection 83(1)(b) of the Act.
34. Although the Tenant alleged that the gas furnace provided inadequate heat and the Landlords were not paying the hydro bill, she admitted that there was heat in the unit and that she was paying the hydro bills and deducting that amount from the rent.
35. The Tenant stated that she is a single mother of two (ages 16 and 19) and that although she has been looking for a new place to live, rents are too high. She has lived in the rental property for eight years and works close by. One of her children attends school in the neighbourhood.
36. The Landlords stated that they are facing financial hardship with the delay in closing the sale transaction and that they can no longer afford the mortgage and expenses related to the rental property.
37. Although I find that the purchaser in good faith requires possession of the rental unit for his own residential occupation, postponing the Tenant's eviction until March 31, 2026 provides the Tenant with a little extra time to find a new place to live while minimizing prejudice to the Landlords.

Costs for November 3, 2026 adjournment

38. The November 3, 2025 Notice of Hearing indicated that the start time for the hearing was 9:00 a.m. Page 2 of the Notice of Hearing reads as follows:

Be ready to stay the whole day. There are many other hearings scheduled at the same time as your hearing, and your hearing may be later in the day.

39. The hearing of the application commenced but was not concluded on the morning of November 3, 2025. Parties were requested to continue the hearing in the afternoon after the lunch break. The Landlord's representative confirmed that he and the Landlords were available to continue the hearing in the afternoon.
40. The Tenants representative stated that the Tenant was not available in the afternoon. He stated that since the Tenant had attended other N12 hearings, she was aware that L2/N12 applications were scheduled for half-day block. As such, she was booked for a work lunch presentation from 12:00 noon to 1:30 p.m., followed by client appointments all afternoon. She stated it would not be possible to rearrange those appointments. The Tenant's representative later admitted that he was not available in the afternoon.
41. Rules 23.2 and 23.3 of the Board's Rules provide:

23.2 A member may exercise discretion to order a party to pay another party's:

- (a) representation/preparation fees; and
- (b) other out-of-pocket expenses

Where the LTB orders a party to pay the representation/preparation fees incurred by another party, these fees shall not exceed \$100 per hour for the services of a paid representative to a maximum of \$700.

23.3 A party who engages in unreasonable conduct which causes undue delay or expense may be ordered to pay costs to another party.

42. The failure of the Tenant and her representative to ensure that they were available for the whole day, as set out in the Notice of Hearing, resulted in the hearing having to be adjourned, requiring a second day of attendance to all parties. In my view, the conduct of the Tenant and her representative caused undue delay and expense to the Landlords. As such, I requested submissions with respect to costs for the November 3, 2025 adjournment.
43. The Landlords' representative stated that N12 notice had been served in July 2025 and the application filed shortly thereafter and that the Landlords have been waiting far too long for this issue to be resolved. He stated that the adjournment resulted in further delay of the Landlord's application and increased legal fees. But for the adjournment, the Landlords would have only incurred one day of legal fees instead of two. He requested costs in the amount of \$500.00 for the unnecessary delay.
44. The Tenant's representative submitted that costs result from unreasonable behaviour which was not the case here. In his experience, it was not unusual for L2 applications based on N12 notices to be scheduled in half day blocks, instead of all day blocks. He submitted that the Board limits costs to \$100.00 per hour and that \$500.00 was excessive given that the November 3, 2025 hearing adjourned at noon.

45. After considering the parties' costs submissions, I find it reasonable that the Tenant pay the Landlords \$300.00 for costs for the adjournment of November 3, 2025.

It is ordered that:

1. The tenancy between the Landlords and the Tenant is terminated. The Tenant must move out of the rental unit on or before March 31, 2026.
2. If the unit is not vacated on or before March 31, 2026, then starting April 1, 2026, the Landlords may file this order with the Court Enforcement Office (Sheriff) so that the eviction may be enforced.
3. Upon receipt of this order, the Court Enforcement Office (Sheriff) is directed to give vacant possession of the unit to the Landlords on or after April 1, 2026.
4. The Tenant shall pay to the Landlords \$6,352.14, less any amount paid for rent on or after September 1, 2026, which represents compensation for the use of the unit from September 1, 2025 to January 16, 2026.
5. The Tenant shall also pay the Landlords compensation of \$46.03 per day for the use of the unit starting January 17, 2026 until the date the Tenant moves out of the unit.
6. The Landlords owes \$1,617.26 which is the amount of the rent deposit and interest on the rent deposit.
7. The Tenant shall pay the Landlords \$300.00 for costs.
8. If the Tenant does not pay the Landlords the full amount owing on or before March 31, 2026, the Tenant will start to owe interest. This will be simple interest calculated from April 1, 2026 at 4.00% annually on the balance outstanding.

February 27, 2026

Date Issued

Karen Gonçalves

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.

In accordance with section 81 of the Act, the part of this order relating to the eviction of the Tenant expires on October 1, 2026 if the order has not been filed on or before this date with the Court Enforcement Office (Sheriff) that has territorial jurisdiction where the rental unit is located.