



Order under Section 69 Residential Tenancies Act, 2006

File Number: LTB-L-092064-25

In the matter of: Basement, 83 WILLESDEN RD
NORTH YORK ON M2H1V5

Between: Shenjie Lai Landlords
Shang Qing Fan

And

HanDong Pei Tenant

Shenjie Lai and Shang Qing Fan (the 'Landlords') applied for an order to terminate the tenancy and evict HanDong Pei (the 'Tenant') because:

- the Landlords 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 January 12 and February 27, 2026.

On January 12, 2026, the Landlord, Shenjie Lai and the Tenant attended the hearing.

On February 27, 2026, the Landlord was represented by Xian Yu Luo, a licensed paralegal and the Tenant was represented by Yun Tao Li. The Tenant was assisted with technology by his daughter, Chloris Pei. The Landlord was accompanied by his wife as well as his mother-in-law the second Landlord, Shan Qing Fan. The LTB provided interpreter was Richard Wang.

Determinations:

1. As explained below, the Landlords have not proven on a balance of probabilities the grounds for termination of the tenancy and the claim for compensation in the application. Therefore, the application is dismissed.
2. The Tenant was in possession of the rental unit on the date the application was filed.
3. On August 9, 2025, the Landlords gave the Tenant an N12 notice of termination with the termination date of October 31, 2025. The Landlords claimed that they require vacant

possession of the rental unit for the purpose of residential occupation by the Landlord, Shan Zing Fan.

4. The Landlords have not proven that they in good faith require possession of the rental unit for the purpose of their own residential occupation for a period of at least one year. I find that the Landlords' application is not made in good faith and is motivated by retribution for the Tenant's failure to continue to agree to pay above-guideline rent increases.
5. The Landlord, Jason Lai, gave evidence on January 12, 2026. He testified that his mother and father-in-law live on the main floor of the residential complex, and the Tenant lives in the basement rental unit. The units share laundry facilities. He testified that the Tenant is improperly blocking access to the laundry room which is frustrating for them. He also testified that his in-laws do not have enough room upstairs and that, for example, they want more room for their grandchildren when they come to visit.
6. Although Shang Qing Fan, the intended occupant of the rental unit, was present at the second day of the hearing, there was no request made by the Landlords' representative to hear evidence from her.
7. The Tenant provided lengthy evidence about his interactions with the Landlord. The Tenant has lived in the rental unit since 2017. The Tenant received an illegal notice to increase the rent from the Landlord in May of 2021. The rent increase was in the amount of \$50 from the rent from \$800 to \$850 an effective 6.5% increase during a time when all rent increases across the province were frozen. (DOC 7441550 p. 16). After some back and forth, the Tenant agreed to pay the increase.
8. In April of 2023, a further improper notice of rent increase transmitted by text from the Landlord Jason proposed to raise the rent to \$900. The Tenant acquiesced to this increase as well.
9. In July 2024, the Landlord Jason again text the Tenant asking him when he would move out and when no affirmative response was given, he texted the Tenant to say that the rent would be increasing to \$950 a portion of which was to be given in cash to Landlord Fan and a portion of which could be paid by cheque. (DOC 7441550 p.6). The Tenant rebuffed this increase on several grounds: first, that it was an illegal above-guideline increase which was the 3rd in as many years; further, the Tenant was concerned about the identity of the individual to whom he was to pay the rent and he believed that he would be participating in a Revenue Canada fraud.
10. What happened next is a series of escalating disagreements both verbal and physical between the parties. The Tenant alleges that the Landlord cut off his internet at various times, the Landlord alleges that the Tenant's removal of his smoke detector on one occasion for one day necessitated numerous (up to 60) inspections of the unit, many without appropriate statutory notice.
11. The Landlords have delivered 4 N12 Notices to the Tenant, only the last of which resulted in this L2 Application.
12. The Tenant produced several videos in which the Landlords and the Landlord Jason's wife can be seen screaming at the Tenant and pointing their fingers at him. Their tone is menacing and mocking. (DOC 7441773, DOC 7441921 and DOC 7441845).

13. The video at DOC 7441921 is particularly disturbing in terms of the aggressive tone and stance of the Landlords' family.
14. To be clear, there is evidence that after the Landlords' issuance of numerous N12's and their aggressive manor toward the Tenant, the Tenant did act inappropriately on some occasions. For example, he did on one occasion park his car across the driveway to block the Landlord's car and on one or more occasions put a collapsible chair on the back staircase shared by the parties. He testified that this one was done to discourage illegal entries.

Analysis

15. The N12 Notice was served under s. 48(1) of the *Residential Tenancies Act, 2006* (the 'Act') which states:

A landlord may, by notice, terminate a tenancy if the landlord in good faith requires possession of the rental unit for the purpose of residential occupation for a period of at least one year.

16. Thus, the Landlord bears the burden of establishing, on a balance of probabilities, that the Landlord in good faith requires possession of the rental unit for the purpose of residential occupation for a period of at least one year by the co-Landlord.
17. The Divisional Court has issued several decisions interpreting the "good faith" test contained in s. 48(1) of the Act. The Court has held that the motives of the landlord in seeking possession are not relevant and that the only issue is whether the landlord genuinely requires possession for his or her own use: *Salter v. Belijinac* (2001), 2001 CanLII 40231 (ON SCDC), (4th) 744 (Ont. Div. Ct.) and *Feeney v. Noble* (1994), 1994 CanLII 10538 (ON SC), 19 O.R. (3d) 762 (Div. Ct.).
18. The Divisional Court clarified its direction at para.17 in the more recent decision of *Fava v. Harrison*, 2014 ONSC 3352 <<https://canlii.ca/t/g77v1>>:

[17] We accept, as reflect in *Salter, supra*, that the motives of the landlord in seeking possession of the property are largely irrelevant and that the only issue is whether the landlord has a genuine intent to reside in the property. However, that does not mean that Board cannot consider the conduct and the motives of the landlord in order to draw inferences as to whether the landlord desires, in good faith, to occupy the property.

19. As per *Fava* in reaching my conclusion that this L2 application is not motivated by good faith, I have considered the Landlords' several above-guideline rent increases and their response when the Tenant hesitated to capitulate to their demands. I have also considered that no direct evidence was given by the Landlord proposing to move into this unit, Shang Qing Fan. An interpreter was available to translate her evidence if that was necessary. I find the timing of the N12 Notices to be co-incident with the Tenant's refusal to pay further illegal rent increases, and I find that the refusal is more likely than not the real reason for the N12's, and not a genuine intention by Shang Qing Fan to use the rental unit for residential occupation.

20. Therefore, the Landlords have not established that the Landlord Fan in good faith requires possession of the rental unit for the purpose of residential occupation for a period of at least one year by the Landlord Fan.
21. The Landlords have compensated the Tenant an amount equal to one month's rent by October 31, 2025 and this money must now be returned by the Tenant to the Landlords.

It is ordered that:

1. The Landlords' application is dismissed. The LTB file is closed.

March 10, 2026
Date Issued

Christina Budweth
Member, Landlord and Tenant Board

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