



Order under Section 57 Residential Tenancies Act, 2006

Citation: Gray v T Valeri Construction o/a Valery Properties, 2026 ONLTB 27059

Date: 2026-04-14

File Number: LTB-T-057902-25

In the matter of: Upper East, 13/15 BOLD ST
HAMILTON ON L8P1T3

Between: Elizabeth Gray Tenant

And

T Valeri Construction o/a Valery Properties Landlord

Elizabeth Gray (the 'Tenant') applied for an order determining that T Valeri Construction o/a Valery Properties (the 'Landlord') gave a notice of termination in bad faith.

This application was heard by videoconference on February 10, 2026.

The Landlord's Agent, Tina Novak, the Landlord's Legal Representative, Peter Guzina, and the Tenant attended the hearing.

Determinations:

1. As explained below, the Tenant proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord shall pay the Tenant \$11,128.44.

Landlord Gave the N13 Notice in Bad Faith:

2. Subsection 57(1)(c) 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 N13 notice of termination under section 50 of the Act;
 - The Tenant vacated the rental unit as a result of the N13 notice of termination;
 - The Landlord did not convert the rental unit within a reasonable time after the Tenant vacated; and
 - The Landlord served the N13 notice of termination in bad faith.
3. The Tenant testified that she received an N13 notice on April 30, 2024 that stated the Landlord intended to convert the rental unit into additional office space. The renovations

identified on the N13 notice were to close the exterior entrances on the upper level, and to open the existing stairwell from the offices below.

4. The Tenant vacated the rental unit on July 15, 2024. The Tenant then testified that she learned that the property was listed for sale on October 31, 2024, and the MLS listing stated that the building was mixed purpose and had 2 2-bedroom apartments on the third floor. The Tenant submitted into evidence the MLS listing, and the revised MLS Listing clarifying that it is 2 1-bedroom units on the third floor. Both MLS listings were dated October 21, 2024.
5. The Tenant testified that she thinks she was evicted to have the rental unit vacant when the Landlord placed the property for sale. The Tenant testified that she did not think that the Landlord had converted the rental unit to additional office space. The Tenant further testified that she had received communication from the Landlord that they were moving into the building, so they needed the additional office space, however they never moved in.
6. Paul Valeri (PV), the vice president of Valeri Construction and Property Management Company, testified that the N13 notice was given to the Tenant as they had the intention of moving their head office into the property. PV further testified that given changes in the real estate sector they decided to not move their head office. PV stated that the rental unit was converted in September 2024, and a permit was not needed as it was only demolition in nature. PV testified that they opened the stairway and the throughway between the 2 units.
7. When asked why the October 2024 listing stated that the building included 2 apartments, PV testified that the real estate agent used the original language from the prior listing. When asked if he did not read through the MLS listing prior to the property being listed, PV stated he had not.
8. PV further testified that the building is not currently occupied. PV testified that the building was listed for sale and then for lease, however the property has not been sold or leased as of the hearing date.
9. The Landlord submitted photos of renovations into evidence. PV testified that the pictures show that the kitchen from the other apartment was removed, that there is a temporary railing in place, and there is a picture showing access between the 2 rental units. When questioned by the Tenant, PV testified it is industry practice to have temporary railings and door sealing so that whoever moves in can make their own changes. PV further testified that sealing off the exterior access to the third floor is not a violation of the fire code to their knowledge.
10. The Landlord's Agent, Tina Novak (TN), testified she had taken the pictures of the renovations on January 28, 2026. TN also testified that the renovations were completed in the fall of 2024 by the construction division. Both PV and TN acknowledged that the pictures submitted were not of the Tenant's rental unit, however they testified it was not necessary as the picture of the doorway between the rental units shows the necessary conversation occurred.
11. I am satisfied that on a balance of probabilities that the Tenant has proven all of the requirements in subsection 57(1)(c) of the Act. I do not accept the Landlord's evidence that

they completed the conversion to office space in September 2024. The MLS Listing from October 21, 2024 specifically identifies that the building as being listed for sale with 2 rental units on the third floor. I find it unbelievable that such a significant error in the MLS listing would remain uncorrected. In fact, the MLS listing was eventually corrected to change the description from 2-bedroom units to 1-bedroom units. The pictures submitted as evidence by the Landlord are from January 28, 2026, approximately 18 months after the Tenant vacated due to the N13 notice, and none of the pictures are date stamped or of the Tenant's rental unit. PV testified that the original N13 notice was issued because they were moving their head office into the building and needed the additional space, however they never moved in, and the building remains empty.

12. The Landlord did not provide any documentary evidence to support their oral evidence regarding the timing of the renovations, including when they were completed or what work was done. PV testified that permits were not needed as it was only demolition, but I am not satisfied that a permit would not have been needed to eliminate exterior entrances to the third floor as that was what was identified on the N13 notice.
13. I also do not accept the Landlord's assertion, which was also unsupported with any documentary evidence, that they changed their plans as a result of the market conditions—I am not satisfied that the Landlord established that this was a reasonably unforeseeable change of circumstances that resulted in them not going through with their plans to convert the unit to office space. In these circumstances, including that the building was listed for sale approximately three months after the Tenant vacated, I am satisfied that the Tenant has established that Landlord served the N13 in bad faith.

Remedies

14. The Tenant sought a rent abatement of \$551.50 for the overlap between when she vacated the rental unit and when she moved into her new rental unit. The Tenant testified the overlap was necessary to clean the rental unit before vacating and to clean her new rental unit. I am not satisfied that the Tenant has established on a balance of probabilities that the overlap was necessary, therefore I have denied this remedy.
15. The Tenant has sought an order requiring the Landlord to pay her the difference in the rent from the rental unit and her new rental unit for 12 months. The Tenant paid \$1,195.00 at the rental unit for a 1 bedroom unit with a small office space. The Tenant testified that she had access to a private outdoor space, the unit had a soaker tub and cedar shower, pizza oven, 11 foot ceilings, exposed brick and a 14 foot custom oak bar. The Tenant testified when she moved into the rental unit in 2015 the rent was higher than the average and she was told it was because the apartment was a premium place.
16. The Tenant testified that her current rental unit is in a new building but is a downgrade. The new unit has 2 bedrooms but no dining area or office, and while the unit is 150 square feet larger, it is mostly hallways. The Tenant further testified that she no longer has a large private patio, only shared access to the roof, and there are no additional amenities. The Landlord submitted evidence of a rental unit in her building, however the Tenant testified that is from unit 504 not 505, her current unit. The Tenant testified her current rent is \$2,500.00.

17. While no lease has been provided, I accept the Tenant's oral evidence regarding the two units, and I find them to be reasonably comparable. While the new unit has an additional bedroom and is larger than what she was previously residing in, it does not have a dining room, and she no longer has a private patio space. Therefore, I find it reasonable to order the Landlord to pay the Tenant \$7,830.00 for the increased rent the Tenant has incurred for the one-year period after the Tenant moved out of the unit.
18. The Tenant also sought out-of-pocket moving expenses. The Tenant submitted a receipt from U-Haul for the cost of boxes and tape in the amount of \$148.44. The Tenant further submitted an email from John at Paradise Movers stating that this was email proof that they provided moving services to the Tenant on July 13, 2024 and that \$1,150.00 was paid. The Tenant also sought reimbursement for the utility hook-up costs for her new apartment. While there was not an invoice for Paradise Movers, I accept the email submitted into evidence that the Tenant did use this service and it cost her \$1,150.00. Therefore, I find that the Landlord must pay the Tenant \$1,298.44 for the reasonable out-of-pocket expenses for the U-Haul moving supplies and Paradise Movers. I do not find that the utility hook-up is a reasonable out-of-pocket moving expense.
19. The Tenant sought general compensation due to having to move farther away from her son, who lived across the street from her, and this has impacted his ability to connect and get support as he needs assistance for independent living. The Tenant further testified that she needed to give up her summer vacation to move and the heat was brutal in July 2024. The Tenant further testified that the process was difficult, and people thought she was a bad Tenant and there were questions she found difficult to answer. While the Tenant has not provided supporting documentary evidence, I am satisfied that the Tenant has established on a balance of probabilities that the Landlord's breach impacted her, including being forced to move away from her son and that her vacation time was impacted. However, considering the extent of the impact, in my view the amount claimed by the Tenant is excessive. I instead find that an award of \$2,000.00 for general compensation is reasonable and appropriate in the circumstances.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$11,128.44. This amount represents:
 - \$7,830.00 for increased rent the Tenant has incurred for the one-year period from July 2024 to July 2025.
 - \$1,298.44 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.
 - \$2,000.00 for general compensation.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenant the full amount owing by April 25, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by April 25, 2026, the Landlord will owe interest. This will be simple interest calculated from April 26, 2026 at 4.00% annually on the balance outstanding.

April 14, 2026
Date Issued

Allana McComb
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.