



Order under Section 126 Residential Tenancies Act, 2006

Citation: Williams and McDaniel Property MGMT v Stevens, 2026 ONLTB 9879

Date: 2026-04-09

File Number: LTB-L-061928-23

In the matter of: 17 Church Street, Orangeville, Ontario, L9W 3Y8

Between: Williams and McDaniel Property MGMT Landlord

and

Refer to attached Schedule 2 Tenants

Williams and McDaniel Property MGMT (the 'Landlord') applied for an order permitting the rent charged to be increased by more than the guideline for one or more of the rental units in the residential complex.

This application was resolved by a written hearing. The Board received submissions from the following Tenants: Sharon Anne Carter, Jo-Ann Joseph, Martin Wissmath, Darlene Moore, Carol Shelton, June Norman, Michael Taylor, Michael Taylor and Charlene Marie Richard on behalf of other tenants, Charlene Marie Richard, Dan and Linda Mueller, Suzanne Neild, Caitlin Smith, Megan McLaurin, and Donna Lawrence.

A reply to the Tenant submissions was received from the Landlord.

It is determined that:

1. I find that the Landlord has justified a rent increase above the guideline because the Landlord incurred an eligible capital expenditure for the residential complex or one or more of the rental units in it.

THE DEFINITION OF CAPITAL EXPENDITURE

2. The Landlord must lead evidence to establish that each of the capital expenditures claimed meets the definition of "capital expenditure" as set out in s. 18(1) of the regulation. It says:

"capital expenditure" means an expenditure for an extraordinary or significant renovation, repair, replacement or new addition, the expected benefit of which extends for at least five years including,

- a. an expenditure with respect to a leased asset if the lease qualifies as determined under subsection (2), and
- b. an expenditure that the landlord is required to pay on work undertaken by a municipality, local board or public utility, other than work undertaken because of the landlord's failure to do it,

but does not include,

- c. routine or ordinary work undertaken on a regular basis or undertaken to maintain a capital asset in its operating state, such as cleaning and janitorial services, elevator servicing, general building maintenance, grounds-keeping and appliance repairs, or
- d. work that is substantially cosmetic in nature or is designed to enhance the level of prestige or luxury offered by a unit or residential complex;

"ELIGIBLE" CAPITAL EXPENDITURES

- 3. In addition to meeting the definition of capital expenditure, each of the Landlord's claimed items must be an "eligible" capital expenditure.
- 4. Subsections 126(7) and (8) of the Act say:

(7) Subject to subsections (8) and (9) and except under the prescribed circumstances, a capital expenditure is an eligible capital expenditure for the purposes of this section if,

- a. it is necessary to protect or restore the physical integrity of the residential complex or part of it;
- b. it is necessary to comply with subsection 20 (1) or clauses 161 (a) to (e);
- c. it is necessary to maintain the provision of a plumbing, heating, mechanical, electrical, ventilation or air conditioning system;
- d. it provides access for persons with disabilities;
- e. it promotes energy or water conservation; or
- f. it maintains or improves the security of the residential complex or part of it.

(8) A capital expenditure to replace a system or thing is not an eligible capital expenditure for the purposes of this section if the system or thing that was replaced did not require major repair or replacement, unless the replacement of the system or thing promotes,

- g. access for persons with disabilities;
- h. energy or water conservation; or

- i. security of the residential complex or part of it.

THE 18-MONTH WINDOW

5. Pursuant to s. 26(2) of the regulation a rent increase shall not be ordered in respect of a capital expenditure unless the work was completed during the 18-month period ending 90 days before the effective date of the first intended rent increase referred to in the application. In this case the 18-month window is from September 3, 2021 to March 3, 2023.
6. The expenditure must also be "incurred" which essentially means the work must have been paid for prior to the application being filed. This is not an issue with respect to any of the items claimed in this application.

THE USEFUL LIFE

7. If the expenditure meets the requirements set out above, then the Board must establish the useful life of the work done in order to calculate the allowable increase.
8. Section 27 of the regulation says:

27. (1) The useful life of work done or a thing purchased shall be determined from the Schedule subject to the following rules:
 - a. Where the useful life set out in Column 3 of the Tables in the Schedule is less than 10 years, the useful life of work done or a thing purchased shall be deemed to be 10 years.
 - b. If, when a thing is purchased, it has previously been used, the useful life of the thing shall be determined taking into account the length of time of that previous use.
 - c. If the work done or thing purchased does not appear in the Schedule, the useful life of the work or thing shall be determined with reference to items with similar characteristics that do appear in the Schedule.
 - d. Despite paragraphs 2 and 3, for the purposes of making a finding under this section, the useful life of work done or a thing purchased shall not be determined to be less than 10 years.

(2) If the useful life of work done or a thing purchased cannot be determined under subsection (1) because the work or thing does not appear in the Schedule and no item with similar characteristics appears in the Schedule, the useful life of the work or thing shall be what is generally accepted as the useful life of such work or thing but in no case shall the useful life be determined to be less than 10 years.

Capital Expenditure

9. The Landlord justified a rent increase above the guideline because of capital expenditures.
10. The rent increase above the guideline because of capital expenditure is not the same for all of the affected units. The maximum rent increase above the guideline is 4.52%, but the increase is lower for Tenants who have moved into their units more recently or who are not affected by some of the capital expenditures. See Schedule 3 for the unit specific increases.
11. The Landlord's application is for the following capital expenditures:
 - a. Window Replacement;
 - b. Hot Water Tank Replacement; and
 - c. Elevator Hydraulics.

Capital Expenditure #1: Window Replacement

12. The Landlord submits that the window replacement was necessary as the "existing windows were aged and not energy efficient, glazing and sealing was damaged in some areas". The scope of work involved removing and replacing the windows. The Landlord submits that these items are "eligible" under subsection 126(7)(a) because the work was necessary to protect or restore the physical integrity of the residential complex or part of it, and 126(7)(b) because the work was necessary to comply with subsection 20(1). The cost claimed in this capital expenditure is \$394,334.97.

Building Code Compliance and Quality of the Workmanship

13. The Tenants submit that "the new windows provide a smaller openable area than the original windows, reducing ventilation and egress performance". It is the Tenants position that due to the reduced operable size, the units no longer comply with the requirements set out in the Ontario Building Code for ventilation and emergency egress.
14. Furthermore, numerous Tenants have raised issues regarding the quality of the workmanship, and condition of the windows and sills after replacement, including issues with drafty seals, moisture buildup, caulking, and condensation.
15. The Landlord, in its reply, submits that "reference to condensation on the interior surface of the windows and alleged mold growth are a result of tenants not taking adequate moisture control measures. The window capital expenditure was completed to address air and moisture infiltration issues. The work completed addressed these issues sealing moisture that used to enter the building. It is the tenant's responsibility to ensure that excess moisture related to tenant activities and living conditions is reduced to avoid condensation buildups. The landlord has

made note of the balance of the maintenance related issues raised by the tenant for follow up. None of the issues raised rise to the level of a serious breach". The Landlord adds that the window replacement "adhered to the relevant OBC provisions".

16. While I appreciate the issues raised by the Tenants, whether or not the new windows comply with the requirements set out in the Ontario Building Code, or whether there is a reduction in performance are not issues that can be considered in determining whether a landlord's above guideline increase application is successful. In the context of an above guideline rent increase application, the issue for the Board to determine is whether the project was necessary to protect or restore the physical integrity of the complex, or for the Landlord to meet its ongoing maintenance and repair obligations under subsection 20(1) of the Act.

17. Pursuant to Section 18 of the Act:

"physical integrity" means the integrity of all parts of a structure, including the foundation, that support loads or that provide a weather envelope and includes, without restricting the generality of the foregoing, the integrity of,

(a) the roof, exterior walls, exterior doors and exterior windows
[emphasis added]

18. Given that windows are specifically included in the definition of physical integrity, and considering the age of the windows, I am satisfied that the work was necessary under subsection 126(7)(a) to protect or restore the physical integrity of the residential complex or part of it. If the resulting condition of the windows are not in compliance with the building code, or their condition would constitute a breach of subsection 20(1) of the Act as the Tenants suggest, they are entitled to file their own application(s) at the Board in respect of these issues. If the Board found in the Tenants' favour, the Landlord would be required to affect repairs to correct the errors at its own expense.

Tenant Consultation

19. The Tenant, Charlene Richard, submits that the Landlord did not consult the Tenants regarding the window replacement.

20. Although the Tenant may feel it is unjust, a landlord is not required to consult the Tenants regarding capital expenditure projects at the complex. Section 126 of the Act specifically provides that a landlord may apply for an AGI for eligible capital expenditures incurred respecting the residential complex or rental units. Members do not have the discretion to deviate from the legal tests set out above.

More in the Nature of Maintenance

21. Numerous Tenants submit that the work should remain the sole responsibility of the property owner as it is more in the nature of general maintenance, and the cost should not be passed on to Tenants.
22. While appreciate the Tenants' position, Section 126 of the Act specifically provides that a landlord may apply for an above guideline increase for eligible capital expenditures incurred respecting the residential complex or rental units. Furthermore, subsection 18(1)(c) of O.Reg 516/06 applies to the Board in making a finding regarding whether work is an eligible capital expenditure or routine maintenance. Subsection 18(1)(c) states that an eligible capital expenditure does not include:
- (c) routine or ordinary work undertaken on a regular basis or undertaken to maintain a capital asset in its operating state, such as cleaning and janitorial services, elevator servicing, general building maintenance, grounds-keeping and appliance repairs.
23. Therefore, the issue for the Board to consider is whether the window replacement project is considered "routine or ordinary work undertaken on a regular basis", similar to cleaning or snow clearing. While I understand the Tenants' position, having considered the infrequency, nature, scope, and cost of the work, I find that the project does not qualify as either routine maintenance or ordinary work. Accordingly, I am satisfied that the window replacement meets the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsections 126(7)(a) as the work was necessary to protect or restore the physical integrity of the residential complex or part of it, and 126(7)(b) as the work was necessary to comply with subsection 20(1).
24. The cost of this capital expenditure is \$394,334.97.
25. The useful life of this capital expenditure is 17 years.

Capital Expenditure #2: Hot Water Tank Replacement

26. The Landlord submits that the hot water tank replacement was necessary as the "existing hot water tanks were beyond useful life, had burst and required to be replaced, no longer able to be repaired". The scope of the work involved replacing the hot water tanks in selected units. The Landlord submits that this item is "eligible" under subsection 126(7)(b) as the work was necessary to comply with subsection 20(1), and 126(7)(c) to maintain the provision of a plumbing, heating, and mechanical system. The cost claimed in this capital expenditure is \$165,489.00.

Affected Units

27. The Landlord submits that the capital expenditure should only apply to units 11, 12, 101, 103, 205, 206, 208 and 313. This means that those units bear all the cost for the items.

28. The rules set out in subsection 26 of the O. Reg. 516/06 apply to the Board in making findings relating to capital expenditures. Subsection 26(6) states:

For each rental unit that is subject to the application, the percentage rent increase that is justified by capital expenditures shall be determined in accordance with the following rules.

1. Determine which capital expenditures affect the unit [Emphasis added]

29. Having reviewed the Landlord's submissions in the form of invoices from AGE Mechanical Plumbing, I accept their position that the units listed above received new hot water tanks and the costs of the capital expenditures should be allocated to those units alone.

More in the Nature of Maintenance

30. The Tenants, Caitlin Smith and Megan McLaurin, submit that "since the hot water tank in our unit (Apt 208) was replaced because it was leaking, this appears to be a routine replacement which would be a repair/maintenance, not a capital improvement". The Tenants, Michael Taylor and Charlene Richard, add that "expenses related to hot water tanks and elevator hydraulics should be considered predictable service repairs... and should fall under the routine maintenance budget".

31. The Landlord, in its reply, submits that "the work completed regarding the claimed capital expenditures is not regular maintenance, but the scope of the work is significant and satisfies the definition of a capital expenditure".

32. As noted above, the Tenants are correct that routine or ordinary work performed on a regular basis does not qualify as a capital expenditure. Examples of ineligible routine work include cleaning and janitorial services, general building maintenance, groundskeeping, and appliance repairs. Therefore, the question for the Board to consider is whether replacing a hot water tank is considered "routine or ordinary work undertaken on a regular basis". Given the 25 year expected useful life of a hot water tank, and the infrequency of its replacement, I am not satisfied that the project qualifies as routine maintenance. As such, I am satisfied the hot water tank replacement meets the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsections 126(7)(b) as the work was

necessary to comply with subsection 20(1) and 126(7)(c) to maintain the provision of a plumbing, heating, and mechanical system.

33. The cost of this capital expenditure is \$13,560.00.

34. The useful life of this capital expenditure is 25 years.

Capital Expenditure #3: Elevator Hydraulics

35. The Landlord submits that the elevator hydraulics project was necessary as the “existing elevator hydraulic system was damaged and no longer able to be repaired”. The scope of the work involved “supply and installation of a hydraulic valve, hydraulic oil, contactors and overloads to replace damaged equipment”. The Landlord submits that this item is “eligible” under subsection 126(7)(b) as the work was necessary to comply with subsection 20(1), and 126(7)(c) to maintain the provision of a mechanical system. The cost claimed in this capital expenditure is \$25,356.08.

Condition of Elevators

36. Several Tenants have raised issues with the elevator, including significant time in which the elevator was inoperable. The Tenant, Charlene Richard, submits that “The elevator has had continuous problems and has broken again since this L5”.

37. The Landlord, in its reply, submits that “reporting or not reporting of an elevator outage for a period of longer than 48 hours is not relevant to the application”.

38. Similar to above, the issues raised by the Tenants would not render this capital expenditure ineligible. The issue for the Board to determine is whether the work was necessary to comply with subsection 20(1), or to maintain the provision of a mechanical system. Having reviewed the evidence, and the cost, nature, and scope of work, I am satisfied that the work was required to maintain the provision of the mechanical conveying system. If the Tenants believe the condition of the elevator would support a finding of a breach of section 20(1) of the Act, the Tenants are entitled to file their own application(s) at the Board in respect of these issues. Furthermore, with respect to any rent reduction because of a temporary discontinuance of a service, it is not an issue the Board is entitled to consider in determining whether a landlord’s above guideline increase application is successful. The Board lacks the jurisdiction to order compensation or a rent reduction on a landlord’s application for an above guideline increase.

More in the Nature of Maintenance

39. The Tenants, Caitlin Smith and Megan McLaurin, submit that “elevator hydraulics are a foreseeable element of the building’s infrastructure, and their repair or replacement forms part of the landlord’s ongoing duty of upkeep. Such costs are reasonably expected and should have been incorporated into the landlord’s operating budget not downloaded to the tenants”. Several Tenants add that “the

elevator hydraulic replacement constitutes routine maintenance, not a capital expenditure”.

40. The Landlord, in its reply, submits that “the elevator hydraulic project is not routine maintenance within the meaning of the RTA and the Ontario Regulations but a major replacement to the elevator hydraulic lift system. The work performed is neither routine nor ordinary maintenance that would be undertaken every month or even annually. The estimated lifespan for the replacement project is more than 5 years, and the regulations suggest 15 years”.
41. As above, the question for the Board to consider is whether the elevator hydraulic project is considered “routine or ordinary work undertaken on a regular basis”. While I understand the Tenants’ position, having considered the nature, scope, and cost of the work, I find that the project does not qualify as either routine maintenance or ordinary work.
42. Accordingly, I am satisfied the elevator hydraulics project meets the definition of capital expenditure contained in subsection 18(1) of the O.Reg 516/06 as it was a significant repair and replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsections 126(7)(b) as the work was necessary to comply with subsection 20(1) and 126(7)(c) to maintain the provision of a mechanical system.
43. The cost of this capital expenditure is \$25,356.08.
44. The useful life of this capital expenditure is 15 years.

Written Submissions

Financial Hardship

45. The Tenants submit that any rent increase approved under this application will result in substantial financial burden.
46. The Landlord, in its reply, submits that “financial hardship of the tenants is not a factor the Board can consider when deciding this application” and “requests a reconciliation period of 60 days from the date of the order for parties to make payment of any monies owing related to the order”.
47. The Act does not provide the Board with the authority to consider the financial impact on the tenants of an AGI when determining whether a landlord’s AGI application should be granted or denied. However pursuant to subsection 205(2) of the Act where the Board makes an order for a rent increase above the guideline and that order is made more than three months after the first effective date of a rent increase in the order, the Board may permit a tenant to pay the landlord the amount owing in monthly instalments.

48. Given the facts presented by the Tenants, I am not satisfied that an imposed installment plan would be appropriate in the circumstances. However, given the passage of time, I do find it appropriate to allow the parties 120 days to pay to the other any sum of money that is owed as a result of this order. As always, if the Landlord is amenable to a longer repayment plan for those Tenants facing financial hardship that remains within the Landlord's discretion to do so.

Lawful Rent

49. The Tenant, Carol and Frank Lomack, submit that "why should we the tenants pay this increase before the Judge's ruling. If we have to pay, then not before the Judge has ruled and on that specific date".

50. As stated on a Notice of Rent Increase (form N1) any increase based on an above guideline increases requires approval by the Board. Upon receipt of a valid form N1, a Tenant has the option of paying both the guideline and above guideline increases or pay only the guideline amount until the Board issues a decision on the Landlord's application. If the Tenants wish to challenge the legality of any rent increase or decrease for that matter, they are entitled to file their own application(s) at the Board in respect of these issues.

Cost Incurred by Tenants

51. Numerous Tenants submit that during the window replacement, the indoor temperatures dropped significantly, forcing them to spend additional money on heating to bring their units back to a reasonable temperature. The Tenants requested compensation for the extra energy costs.

52. The Landlord, in its reply, submits that "the capital expenditure work to be completed the windows needed to be removed, therefore, exposing the interior of the building to the outdoor weather for a brief period. Unfortunately, this led to the temperature dropping in the units for a brief period".

53. Although I can appreciate the impact of the work on the Tenants' reasonable enjoyment of the units and incurred costs, they are not issues the Board is entitled to consider in determining whether a landlord's above guideline increase application is successful. The Board lacks the jurisdiction to order compensation or a rent abatement on a landlord's application for an above guideline increase.

Maintenance

54. The Tenants raised a number of maintenance and health and safety issues affecting their units, and the building as a whole. These issues include:

- Damaged finishes;
- Mould around windows;
- Missing caulking;

- Leaking taps;
- Lack of snow clearing;
- Damaged asphalt in parking area;
- Damaged carpet;
- Poor water quality; and
- Dangerous Stairwells.

55. The Landlord, in its reply, submits that “none of the issues raised rise to the level of a serious breach”, adding that they “maintain a resident portal where written maintenance requests are to be submitted. Tenants are directed to use the portal so that requests can be logged, assigned and tracked”.

56. While I appreciate that the maintenance issues are matters of concern for Tenants, subsection 126(12) of the Act refers to serious, ongoing breaches of the Landlord’s maintenance obligations. I am not satisfied that maintenance issues raised by the Tenants, even if they remain outstanding, individually or collectively would rise to the level of a serious breach of the Landlord’s maintenance obligation. A disrepair problem that is not “serious” as that term is used under the Act is not relevant to these proceedings. However, if there are outstanding maintenance issues the Tenant is entitled to file their own application(s) at the Board in respect of these issues.

Affected Unit

57. The Tenants, June Norman, Martin Wissmath, and Michael Taylor, submit that the windows were installed prior to their possession of the units, and therefore should not be included in the increase.

58. The Landlord, in its reply, submits that “units 105, 217, 220, 305 and 306 are properly included in the application. The date of completion for Item #1 in the application was May 31, 2022. The tenants at 105, 217, 220, 305 & 306 were all living in the building prior to the completion of the project and thus are subject to this application”.

59. The issue for the Board to determine is whether the Tenants were in possession of their rental units when the window replacement was completed and would therefore be subject to the increase. While the windows in the specific units may have been completed before they moved in, the Act is clear that the completion date is based on the date the entire project is physically completed. Based on the evidence submitted, the capital expenditure work was completed May 31, 2022, and the Tenants obtained occupancy May 7, 2022, February 1, 2022, and April 9, 2022, respectively. As they were in possession at time the work was completed, they can be subject to the rent increase if the Landlord so chooses. Whether or not a Tenant had prior notice of capital expenditure work before moving in is not something the Board can consider in an above guideline increase application.

60. The weighted useful life for the capital expenditures is as specified on Schedule 3.

General

61. The first effective date of the rent increase above the guideline is June 1, 2023.

It is ordered that:

1. The Landlord may increase the rents charged by the percentage increases and within the time periods set out in Schedule 3.
2. The percentage increase set out in Schedule 3 may be taken in addition to the annual guideline in effect on the increase date for the unit.
3. The Landlord or the Tenant(s) shall pay to the other any sum of money that is owed as a result of this order within 120 days of the date of this order.

April 9, 2026
Date Issued

Andrew Laurich
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.

Important Notes:

1. The landlord may increase the rent charged by the ordered increase within the time period specified if at least 12 months have passed since the last rent increase or since the tenant moved in, and if the landlord has given the tenant at least 90 days proper Notice of Rent Increase. Any part of the ordered increase that is not taken within the time period specified cannot be added to subsequent rent increases in subsequent time periods.
2. If the landlord has given a Notice of Rent Increase for a rent increase that is less than the ordered increase, the landlord may only take the rent increase set out in the Notice.
3. If the Tenant's rent is increased pursuant to the percentage increase ordered for capital expenditures and the same Tenant remains in the unit after the expiration of the weighted useful life for capital expenditures, then the rent will be reduced. Refer to Schedule 4 for information about the date and amount of the rent reduction.
4. The annual guideline for 2023 is 2.5%, for 2024 is 2.5%, and for 2025 is 2.5%.

Schedule 1 - Units affected by this Order:

1	205
2	206
3	207
4	208
5	209
6	210
7	211
8	212
9	213
10	214
11	215
12	216
14	217
101	218
102	220
103	301
104	302
105	303
106	304
107	305
108	306
109	307
110	308
111	309
112	310
113	311
114	312
115	313
117	314
118	315
120	316
201	317
202	318
203	319
204	320

Schedule 2 - Tenants who are Affected by this Order:

Armstrong, Colby	Morris, Jane
Armstrong, Robert	Mueller, Dan
Bedicz, David	Mueller, Linda
Boldireff, Michael	Narvaez, Paul
Carter, Sharon Anne	Narvaez, Paulito
Chivers, Cherrie	Naylor, June
Chivers, Michael	Neild, Suzanne
Christopher, Ryan	Newfield, Timothy
Critchley, Brian	Norman, June
Critchley, Diana	Peddie, Donald
Cutting, Heather	Percy, Michael
Deshaw, June	Petch, Peter
Dickinson, Joseph	Ploughman, Gordon
Dickinson, Susan	Ploughman, Mary
Divers, Gerard	Powell, Marilyn
Dunn, Michael	Pozniak, Jerry
Goddard, Joyce	Richard, Charlene Marie
Grant, Alanna	Ritchie, Glenda
Grummett, Judith	Roberts, Shelagh
Harris, Gordon	Rose, Steven
Harris, Susan	Shand, Sandy
Hluch, Greg	Shelton, Carol
Holden, Beverly	Simpson, Jack
Howes, Georgina	Simpson, Marian
Hudson, Shirley	Smart, James
Jackman, Paul	Smith, Caitlin
Jardine, Wayne	Stevens, Debra
Joseph, Jo-Ann	Tamizaim, Jeff
Kamstra, Raymond	Taylor, Michael
Laganis, Anton	Tiveron, Wendy
Lavigne, Jeanette	Toop, Callaghan
Lawrence, Donna	Trimble, Floyd
Lewis, James	Walker, Linda
Lomack, Frank	Walker, Robert
MacBrien, Caroline	Ward, Brenda
May, Wendy	Waterton, Peter
McKnight, Amanda	Welsh, Chester
McLaurin, Megan	Westerhoff, Robert
Moore, James	Wissmath, Martin
Moorse, Darlene	Wolter, Karin
Morris, Herb	Wu, Hongping

Schedule 3 - Ordered Rent Increase Above the Guideline**First Effective Date of Rent Increase in this Order is June 1, 2023**

The Landlord may increase the rent charged for the units affected by this order by the total percentages set out below and within the time periods set out below. These percentage increases may be taken in addition to the annual guideline in effect on the increase date for the unit.

For the period June 1, 2023 to May 31, 2024			June 1, 2024 to May 31, 2025			
Rental Unit Address Name	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	Weighted Useful Life	Total % for Cap Exp
1, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
2, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
3, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
4, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
5, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
6, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
7, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
8, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
9, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
10, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
11, 17 Church Street	3.00%	3.00%	1.52%	1.52%	19	4.52%
12, 17 Church Street	3.00%	3.00%	1.52%	1.52%	19	4.52%
14, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
101, 17 Church Street	3.00%	3.00%	1.52%	1.52%	19	4.52%
102, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
103, 17 Church Street	3.00%	3.00%	1.52%	1.52%	19	4.52%
104, 17 Church Street	0.24%	0.24%	0.00%	0.00%	15	0.24%
105, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
106, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
107, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
108, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
109, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
110, 17 Church Street	0.24%	0.24%	0.00%	0.00%	15	0.24%
111, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
112, 17 Church Street	0.24%	0.24%	0.00%	0.00%	15	0.24%
113, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
114, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
115, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
117, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%

For the period June 1, 2023 to May 31, 2024			June 1, 2024 to May 31, 2025			
Rental Unit Address Name	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	Weighted Useful Life	Total % for Cap Exp
118, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
120, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
201, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
202, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
203, 17 Church Street	0.24%	0.24%	0.00%	0.00%	15	0.24%
204, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
205, 17 Church Street	3.00%	3.00%	1.52%	1.52%	19	4.52%
206, 17 Church Street	3.00%	3.00%	1.52%	1.52%	19	4.52%
207, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
208, 17 Church Street	3.00%	3.00%	1.52%	1.52%	19	4.52%
209, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
210, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
211, 17 Church Street	0.24%	0.24%	0.00%	0.00%	15	0.24%
212, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
213, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
214, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
215, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
216, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
217, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
218, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
220, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
301, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
302, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
303, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
304, 17 Church Street	0.24%	0.24%	0.00%	0.00%	15	0.24%
305, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
306, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
307, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
308, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
309, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
310, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
311, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
312, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
313, 17 Church Street	3.00%	3.00%	1.52%	1.52%	19	4.52%
314, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%

For the period June 1, 2023 to May 31, 2024			June 1, 2024 to May 31, 2025			
Rental Unit Address Name	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	Weighted Useful Life	Total % for Cap Exp
315, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
316, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
317, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
318, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
319, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%
320, 17 Church Street	3.00%	3.00%	0.66%	0.66%	17	3.66%

Schedule 4 - Rent Reduction related to Capital Expenditures:

A. Date of Rent Reduction

If the Tenant's rent is increased based on capital expenditures during the period 2023 then:

The date of the rent reduction will be the day before:

- the date of the Tenant's first rent increase under this order, plus
- the number of years for the weighted useful life for capital expenditures for the unit (set out in Schedule 3).

Example:

If the Tenant's rent was increased on June 1, 2021 and the weighted useful life for capital expenditures is 10 years, then the rent will be reduced on May 31, 2031.

If the Tenant's rent was *not* increased based on capital expenditures during the period 2023 but was increased during the later periods set out in the order then:

The date of the rent reduction will be the day before:

- the First Effective Date of Rent Increase in this order, plus
- the number of years for the weighted useful life for capital expenditures for the unit (set out in Schedule 3).

Example:

If the first effective date of increase in this order is April 1, 2021 and the weighted useful life for capital expenditures is 10 years, then the rent will be reduced on March 31, 2031.

B. Amount of Rent Reduction

If the Tenant's rent is increased by the total percentage increase set out in this order then:

The rent must be reduced by the total percentage increase set out in this order for capital expenditures.

If the Tenant's rent is *not* increased by the total percentage increase set out in this order then:

The rent must be reduced by an amount determined in accordance with the prescribed rules which may be equal to or less than the total percentage increase set out in this order for capital expenditures.