



Order under Section 126 Residential Tenancies Act, 2006

Citation: 9354280 Canada Inc. v Jenner et al, 2026 ONLTB 29228

Date: 2026-04-10

File Number: LTB-L-079250-23

In the matter of: 30 Mather Street West, Perth, Ontario, K7H 3K6

Between: 9354280 Canada Inc.

Landlord

And

Refer to attached Schedule 2

Tenants

9354280 Canada Inc. (the 'Landlord') applies 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. The Application was filed with the Board on October 4, 2023. The first effective date (FED) identified on the Application is January 1, 2024.

The Application was resolved by a written hearing.

Preliminary Matters

1. The Act requires an Application for an Above Guideline Rent Increase be filed with the Board at least 90 days prior to the FED identified on the Application. In this case, the FED is January 1, 2024. As noted above, the Application was received by the Board on October 4, 2023, which is less than 90 days prior to January 1, 2024.
2. When notified by the Board that the Application was filed beyond the time requirement in s. 126 of the Act, the Landlord stated that it was advised by staff at the Tribunal to send the Application to the Board's offices in Ottawa. The Landlord filed tracking information from Canada Post as evidence of the steps taken to file the Application. The tracking information shows that the Landlord sent the Application, via Canada Post's Xpresspost service, to the Board's offices in Ottawa on September 26, 2023, with an anticipated delivery of September 27, 2023. However, according to the tracking info, the Application was "redirected to recipient's new address" on September 27, 2023.
3. Notwithstanding the submissions of the Landlord, I find the Application was not filed with the Board until October 4, 2023, which is less than 90 days prior to the

FED, and therefore beyond the filing deadline set out in s. 126 of the Act.

4. However, based on the Landlord's explanation for why the Application was not filed on time, particularly the Canada Post tracking information provided by the Landlord, I find it would be appropriate in this case to grant the Landlord leave to file the Application less than 90 days prior to the FED.
5. The Board's authority to shorten the time requirements related to making an application under section 126 is found in subsection 190(1) of the Act. The provision reads:

190 (1) The Board may extend or shorten the time requirements related to making an application under section 126, subsection 159 (2) or section 226 *in accordance with the Rules.* (*emphasis added*)

6. The relevant Rule of the Board is Rule 16.4, which reads:

The following factors may be considered in deciding requests to extend or shorten any time requirement under the RTA or these Rules:

- a. the length of the delay, and the reason for it;
 - b. any prejudice a party may experience;
 - c. whether any potential prejudice may be remedied;
 - d. whether the request is made in good faith; and
 - e. any other relevant factors.
7. The Rules further state that the Board may decide a request to extend or shorten a time requirement in the Act without requesting submissions from other parties to the Application.¹
 8. I find the relevant factors to consider in respect to this request are the length of the delay, the reason for the delay, and the potential prejudice that would result from granting or denying the request.
 9. I find that the delay in filing the Application was one day, and the reason for the delay was an apparent miscommunication between the Landlord and the Tribunal staff, which resulted in the Landlord sending the Application to the wrong location.
 10. I find the Tenants' ability to respond to the Application or participate in this proceeding was not affected by the Landlord's filing of the Application one day late. As a result, I find that shortening, also referred to as abridging, the filing deadline by one day would not result in prejudice to the Tenants. Conversely, if the abridgement were denied and this Application were dismissed, the Landlord

¹ Rule 16.5

would be unable to claim the capital expenditures at issue on a new Application because, given the time that has elapsed since completion those expenditures, those expenditures would fall outside the prescribed eligibility window of any new Application.² Therefore, I find a denial of an abridgement of the filing deadline would cause real and substantial prejudice to the Landlord's ability to claim the capital work claimed in this Application.

11. After considering these factors, I find it would be appropriate to grant a one-day abridgement (shortening) of the time requirement for the filing of this Application to October 4, 2023.
12. The Board conducted a virtual Case Management Hearing (CMH) on September 29, 2025. Following completion of the CMH, the Board directed that the merits of the Application be determined by way of a written hearing.
13. The Board issued a Notice of Written Hearing on October 27, 2025. The Notice of Written Hearing set the following deadlines:
 - a. The Landlord was required to serve a copy of the Application and Notice of Written Hearing on the Tenants no later than November 16, 2025; and
 - b. The Notice gave the Tenants until December 16, 2025, to make submissions in response to the Application, and provided the Landlord until December 31, 2025, to reply to any submissions filed by the Tenants.
14. The Landlord filed a Certificate of Service certifying that on November 14, 2025, the Application and Notice of Written Hearing were properly served on the Tenants of units 3 and 9.
15. Despite evidence of proper service, no submissions were received from the Tenants.

It is determined that:

16. 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

17. 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:

² As noted above, the eligibility window for capital expenditures is prescribed in s. 26(2) of O. Reg. 516/06.

"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

18. In addition to meeting the definition of capital expenditure, each of the Landlord's claimed items must be an "eligible" capital expenditure.

19. 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

- 20. 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 April 3, 2022, to October 3, 2023.
- 21. 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

- 22. 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.
- 23. 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

24. The Landlord justified a rent increase above the guideline because of capital expenditures.
25. The Landlord's evidence justifies a rent increase above the guideline for Unit #3 of 3.54% because of capital expenditures. However, pursuant to subsection 126(11) of the Act, the maximum permitted rent increase above the guideline because of capital expenditures in any year is 3.00%. As a result, the rent increase justified in this Application in respect of Unit #3 may be taken as follows: 3.00% in the first year and 0.54% in the second year. These increases are in addition to the annual guideline rent increase.
26. The Landlord's evidence justifies a rent increase above the guideline for Unit #9 of 1.26%, also because of capital expenditures. The rent increase for Unit #9 is to be taken in the first year.
27. The Landlord's application is for the following capital expenditures:
 1. "Upgrade bathroom shower tiles and shower system in unit 3. New tiles, new backboard, new shower head and controls"; and
 2. "Upgrade toilet and replace part of floor – strengthen in unit 9".

Capital Expenditure Item #1 – "Upgrade bathroom shower tiles and shower system in unit 3. New tiles, new backboard, new shower head and controls"

28. The Landlord submits the existing shower system in unit #3 was at the end of its useful life. The Landlord submits the repairs to the tile and shower walls were necessary due to "ongoing leaks & unreliability". The Application indicates that this expenditure only affects unit #3.
29. The Landlord submits the repairs were necessary to maintain the provision of a plumbing system and therefore constitutes an eligible capital expenditure under subsection 126(7)(c) of the Act. The Landlord further submits the work was necessary to comply with its obligations under s. 20(1) of the Act and therefore constitutes an eligible capital expenditure under 126(7)(b) of the Act.
30. In support of this claim, the Landlord provided photographs showing the condition of shower before the repairs were completed.

31. The Landlord provided an invoice from “House Renovators” dated April 26, 2023, in the amount of \$4,253.88, as well as two receipts from Home Depot in the amounts of \$157.97 and \$197.34.
32. In an application for an above guideline rent increase due to capital expenditures, the Landlord must provide evidence that allows the Board to determine whether the expenditure meets the definition of a capital expenditure, and whether the capital expenditure meets the eligibility requirements set out in the Act and the Ontario Regulation 516/06 (“the Regulation”).
33. Section 22 of the Regulation sets out the evidence required in support of an application for an above guideline rent increase. It states that an application must be accompanied by “evidence of all costs and payments”, as well as “details about each invoice and payment”.
34. In this case, I find that the Landlord has failed to provide sufficient “details about each invoice and payment” for this capital expenditure item. Specifically, the Landlord did not provide sufficient details of the items purchased from Home Depot to determine whether these expenses are related to this item.
35. I find the only costs allowed in respect of this item is \$4,253.88, which is the cost outlined in the April 26, 2023, invoice from “House Renovators”.
36. Based on the photographs provided by the Landlord, I find that work completed on the tub and shower of unit #3 was necessary to maintain a plumbing system. As a result, I find the work constitutes an eligible capital expenditure under s. 126(7)(c) of the Act.
37. Based on the “House Renovators” invoice and evidence of payment submitted by the Landlord, I find that the work was completed on or about April 26, 2023. Therefore, I find that this work constitutes an eligible capital expenditure for the purposes of s. 26(2) of the Regulation.
38. The Landlord claims the anticipated useful life of the work completed in unit #3 is 25 years. The anticipated useful life of a capital expenditure is an important factor in the calculation of an above guideline rent increase. The permitted above guideline rent increase resulting from a capital expenditure is calculated by amortizing the cost incurred by the Landlord over the useful life of the capital expenditure at a prescribed rate of interest.
39. The useful lives of many common capital expenditure items are prescribed in a schedule appended to the Regulation (the “Useful Life Schedule”). Section 27 of the Regulation requires the Board to use the prescribed anticipated useful life of an item when calculating the allowable above guideline increase. Section 27 also says that where an expenditure does not appear in the Useful Life 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.

40. The work completed in unit #3 by the Landlord is not specifically listed on the Useful Life Schedule. However, based on the nature and function of the work completed by the Landlord, I find the Landlord's suggested 25 year useful life for this item is reasonable. I therefore find that the anticipated useful life of this item is 25 years.

Capital Expenditure Item #2 – “Upgrade toilet and replace part of floor – strengthen in unit 9”.

41. The Landlord submits the toilet in unit #9 was at the end of its useful life. The Landlord submits repairs to the floor were necessary because the floor had deteriorated due to “ongoing leaks” from the toilet. The Application indicates that this item solely affects unit #9.
42. The Landlord submits this item was necessary to maintain the provision of a plumbing system and therefore constitutes an eligible capital expenditure under subsection 126(7)(c) of the Act. The Landlord further submits the new toilet promotes water conservation, so the expenditure constitutes an eligible capital expenditure under 126(7)(e) of the Act.
43. The Landlord provided an invoice “House Renovators” dated April 20, 2023, in the amount of \$1,184.13, as well as a receipt from Home Depot in the amounts of \$189.84.
44. I find the Home Depot receipt filed by the Landlord does not contain sufficient details about the item purchased to determine whether this expense is related to the item claimed in the Application. I find the only allowable costs in respect of this item is \$1,184.13, as outlined in the April 20, 2023, invoice from “House Renovators”.
45. I accept the Landlord's uncontested evidence concerning the necessity of this work. As a result, I find that the replacement of the toilet and repairs to the bathroom floor in unit #9 were necessary to maintain a plumbing system. As a result, I find this item constitutes an eligible capital expenditure under s. 126(7)(c) of the Act.
46. Based on the “House Renovators” invoice and evidence of payment submitted by the Landlord, I find that the work claimed in this item was completed on or about April 20, 2023. Therefore, I find that this item constitutes an eligible capital expenditure for the purposes of s. 26(2) of the Regulation.
47. The Landlord claims the anticipated useful life of the toilet replacement and floor repairs is 15 years. This is consistent with the useful life of “Tubs, toilets, sinks”,

which is Item #32 on Table 13 ("Mechanical") on the Useful Life Schedule. Therefore, I find that the anticipated useful life of this item is 15 years.

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

General

49. The first effective date of the rent increase above the guideline is January 1, 2024.
50. Since the Board is making this Order more than three months after the first effective date of set out in the Application, I hereby exercise my discretion under s. 205(2) of the Act to Order that the Tenants may pay to the Landlord any amount owing as a result of this Order in 6 monthly installments.
51. For the purposes of s. 26(6) of O. Reg. 516/06, the weighted useful life for the capital expenditures allowed in this Order is as set out on Schedule 4 below.³

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 shall pay to the Tenants any sum of money that is owed as a result of this order within 90 days of the date of this order.
4. The Tenants may pay any amount owing to the Landlord as a result of this order in 6 monthly installments, beginning May 1, 2026.

April 10, 2026
Date Issued

James Gorham

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.

³ See Schedule 4 for an explanation of the significance of the weighted useful life of capital expenditures.

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 2024 is 2.5% and for 2025 is 2.5%.

Schedule 1 - Units affected by this Order:

3
9

Schedule 2 - Tenants who are Affected by this Order:

Desjardins, Danielle

Hawkins, Garth

Jenner, Ian

Schedule 3 - Ordered Rent Increase Above the Guideline**First Effective Date of Rent Increase in this Order is January 1, 2024**

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 January 1, 2024, to December 31, 2024			January 1, 2025, to December 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
3, 30 Mather Street West	3.00%	3.00%	0.54%	0.54%	25	3.54%
9, 30 Mather Street West	1.26%	1.26%	0.00%	0.00%	15	1.26%

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 2024 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 2024 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.