



**Order under Section 126
Residential Tenancies Act, 2006**

File Number: LTB-L-090963-25

In the matter of: 1 Frontenac Road, London, Ontario, N5Z 3X9

Between: Capreit Limited Partnership Landlord

And

Refer to attached Schedule 2 Tenants

Capreit Limited Partnership (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 written hearing. The Board received submissions from the Tenants: Douglas Joseph Train – Unit 206, Sharon Rose – Unit 202, Gerald and Tammy Schostak – Unit 403. The Landlord replied to the Tenants.

It is determined that:

Municipal Taxes and Charges

1. The Landlord justified a rent increase above the guideline because of an extraordinary increase in the municipal taxes and charges. I find that the increase in the municipal taxes and charges is “extraordinary” because the percentage increase between the reference year and the base year is greater than the guideline rent increase plus 50% of the guideline (section 28 of O. Reg. 516/06).
2. The maximum rent increase above the guideline because of an extraordinary increase in the cost for municipal taxes and charges is 0.61%. This increase is to be taken in the first year.
3. The Certificate of Service filed by the Landlord on November 17, 2025, indicates that some rental units listed in the application were not served with the application and notice of hearing. The LTB shall therefore amend the application by removing these rental units. As a result, this order for a rent increase above the guideline under section 126 of the Act does not apply to the following units: 305 and 601.

4. The Board received submissions from Douglas Joseph Train, Sharon Rose, Gerald and Tammy Schostak. In their submissions, the tenants raise maintenance issues. These submissions were taken into consideration to the extent we can under the legislation. The Landlord's reply was also taken into consideration.
5. The first effective date of the rent increase above the guideline is February 1, 2026.

Affected Tenants

6. The Tenant residing in Unit 206 submits that they moved into their unit in March of 2025 and questioned why they are affected by the application. For clarity, if a tenancy is started *on or after* (emphasis added) the day that is 90 days before the first effective date of the increase set out in the application, any increase would not apply to that tenant. If the tenancy started in March of 2025, the Tenant is affected by this application.

The Calculated Increase

7. The Tenant residing in Unit 202 questioned why the rent charged or received by the Landlord is relevant since property taxes are based on the MPAC assessments and not Tenant rents.
8. In determining the increase, the Board considers whether there was an extraordinary increase in municipal taxes, as described in this Order below, and calculates the increase in accordance with the Rules set out under s. 29 and s. 31 of O. Reg. 516/06.
9. The rent charged by the Landlord is relevant to the allocation of the increase to the affected units. In brief, the increase is determined by considering the total rent revenue of all units in the residential complex and then each unit is allocated a portion of the increase. Only affected units will actually receive the notice of rent increase.

The Landlord's Right to Apply

10. The Tenant residing in Unit 202 submits that the municipal tax increase is not extraordinary but is in line with what other similar properties are taxed and questioned why the Landlord should be permitted to seek an above guideline increase due to an increase in their municipal taxes.
11. The Tenant also submits that some Tenants may have not been aware that they were not required to pay the sought increase unless or until an Order was issued permitting the increase. They submit that this was "deceptive and sneaky" on the part of the Landlord. However, there is no evidence that the Landlord has acted deceptively by issuing a Notice of Rent Increase (Form N1) on affected Tenants

as they would be required to do. The form itself includes information specifically stating that if a rent increase needs approval by an order under the Act that the Tenant is not required to pay more than the guideline increase until an order is issued. It also notes that if the Tenant only pays the guideline increase, they may owe the Landlord once an order is issued.

12. The Tenants residing in Unit 403 submit that the Landlord makes a large profit that exceeds the amount the Tenants could subsidize a Landlord of this size. They submit that rents in London have dropped five per cent and that no increase is warranted.
13. Although the Tenants may feel it is unjust, the Board is a creature of statute charged with applying the law as written. Section 126 of the Act specifically provides that a Landlord may apply for an AGI for an extraordinary increase in the cost for municipal taxes and charges for the residential complex or any building in which the rental units are located. The Board cannot stop the Landlord from exercising its right to apply for an above guideline rent increase.

Maintenance

14. The Tenants residing in Unit 403 submit that the elevator is continuously out of service, that they have no hot water when showering, and that the Landlord's application should therefore be dismissed.
15. 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, would rise to the level of a serious breach of the Landlord's maintenance obligations. A disrepair problem that is not "serious" as that term is used under the Act is not relevant to these proceedings. However, the Tenant(s) is entitled to file their own applications at the Board in respect of these issues.

Financial Hardship

16. The Tenant residing in Unit 202 submits that the Board should consider financial hardship should an increase be granted due to prior above guideline increases granted, being on a fixed income, and allocating a large portion of their income to rent. The Tenant submits that they are not the only ones in this situation and that other Tenants are facing similar financial hardship.
17. In respect to the Tenant's submission of financial hardship, the Act does not provide the Board with the authority to consider the financial impact on the Tenants of an above guideline increase when determining whether a landlord's above guideline increase application should be granted or denied.

It is ordered that:

1. The Landlord may increase the rents charged by 0.61% for the units set out in Schedule 1.
2. The percentage increase set out in paragraph 1 is to be taken within the time period of February 1, 2026, to January 31, 2027.
3. The percentage increase set out in paragraph 1 may be taken in addition to the annual guideline in effect on the increase date for the unit.
4. The Landlord or the Tenants shall pay to the other any sum of money that is owed as a result of this order within 60 days of the date of this order.

April 15, 2026
Date Issued

Luciella Longo
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 Landlords 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 Tenants moved in, and if the Landlords have given the Tenants at least 90 days proper Notice of Rent Increase.
2. If the Landlords have given a Notice of Rent Increase for a rent increase that is less than the ordered increase, the Landlords may only take the rent increase set out in the Notice.
3. The annual guideline for 2026 is 2.10%.

Schedule 1 - Units affected by this Order:

1 Frontenac Road, London, Ontario, N5Z 3X9

101	202	209	307	404	501	508	606
102	203	210	308	405	502	509	607
103	204	301	309	406	503	510	608
104	205	302	310	407	504	602	610
105	206	303	401	408	505	603	
106	207	304	402	409	506	604	
201	208	306	403	410	507	605	

Schedule 2 - Tenants who are Affected by this Order:

Addley, Stewart	Janovich, Nicholas
Al-Jubouri, Nagham	Kuol, Daniel
Al-Soufi, Lina/Abdulaziz Abdullah	Macfie, James
Alvarez, Manuel	Mcleod, Katie
Arokiadoss, Martin	Miller, Susan
Babajide, Funmilayo	Moore, Sean
Babajide, Tope Joseph	Moreno, Laura Daniela Perea
Bayly, Samuel	Mosher, Amy
Bell, Connor	Ndiaye, Aissata
Brasier, Stanley	Pious, Divya Dharshini
Bright, Tammy	Pringle, Bryan
Caleb, Colin	Resendes, Cindy
Chamney, Elizabeth	Rickwood, Edward/(Wyatt)
Chamney, Kristin	Romualdo, Carlos Ernesto Cisco
Christopher, Vickers	Rose, Sharon
Cooke, Joesph	Sadler, Melissa
Damina, Johnson	Sarikahya, Halit
Davila, Libia	Schostak, Gerald
De Cisco, Marina Isabel Platero	Schostak, Tammy
Dick, Jodi	Smith, Christine
Drake, Anna Marie	Smith, Daniela
Durairaj, Gomathi	Smith, Doris
Eade, B	Smith, Karen
Eade, Brendan	Stoner, Susan
Eres, Lajos (Lewis)	Sunami, Shefrin
Eres, Megan	Train, Douglas Joseph
Facey, Katie Eleanor	Traylor, Susan
Farrow, Keith	Van/Straten, Herman
Ghebreselassie, Habtom Teklu	Vanderhoeven, Jerry
Globensky, Ava	Vineyard, Tamara
Gottschling, Karin	Williams, Fayline
Havlik, Audrey	Wilson, Christopher John
Hernandez, Maria Aracely	Winegarden, Ashley
Hodgson, Derek	Winegarden, Margaret
Hogg, Cody	Wolfe, Chrissy
Hollisey, Angela	Yaukhana, Esho
Hollisey, Victoria	Young, Gwen
Jaconelli, Chelsea	Zahr, Dina