



Order under Section 69 Residential Tenancies Act, 2006

Citation: Caroline v McPherson, 2026 ONLTB 38641

Date: 2026-05-13

File Number: LTB-L-082834-25

In the matter of: 1087 Airport Rd
Bancroft ON K0L1C0

Between: Caroline Dahlke Landlord
Alana Severin

And

Stephen McPherson Tenant
Pamela Davies

Caroline Dahlke and Alana Severin (the 'Landlord') applied for an order to terminate the tenancy and evict Stephen McPherson and Pamela Davies (the 'Tenant') because the Landlord 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 April 30, 2026.

The Landlord, the Tenant, the Tenant's Legal Representative Carson Frankum, and the Tenant's Witness James Scaddan attended the hearing.

When the capitalized word "Landlord" is used in this order, it refers to all persons or companies identified as a Landlord at the top of the order. When the capitalized word "Tenant" is used in this order, it refers to all persons identified as a Tenant at the top of the order.

Preliminary Issues:

1. The Tenant's Representative requested to present documentary evidence, stating that he mailed them to the address listed for the Landlord on the application. The Landlord denied receiving any documents, stating that this address belonged to her former legal representative. The Tenant's Representative stated that he mailed the documents by UPS but did not have a confirmation of delivery. Based on the submissions of the parties, I was not satisfied that these documents were sent or received; therefore, they were not admitted as evidence during the hearing.

2. It was undisputed that the parties lived together at the rental unit, sharing a kitchen and bathroom for the first two weeks of the tenancy. The Landlord was in the process of packing her belongings and moving to Edmonton, leaving the house to the Tenants shortly after. I am not satisfied that the rental unit is exempt from the *Residential Tenancies Act* (2006) (the 'Act') under section 5(i), as it did not appear that the parties intended for the arrangement to be an ongoing shared occupancy of one house. I find it more likely than not that the Tenants were guests of the Landlord as she was moving out, and that the tenancy fully started once she vacated. Therefore, the Act applies.
3. The Tenants submitted that the Landlord did not have authority to evict them because they had entered into a rent-to-own ('RTO') agreement for the house.
4. The Tenant, Pamela Davies ('PD'), testified that both Tenants and both Landlords had a verbal conversation in 2023 where they reached an RTO agreement. The Tenants were to pay the property taxes and would repair deficiencies in the house so the Landlord could get insurance. The Tenant, Stephen McPherson ('SM'), testified that the parties agreed on a price for the house and a year for the completion of the agreement. SM explained that the Tenants were to obtain financing and pay the Landlord in two years, but there was never a finalized deadline. SM invested around \$24,000.00 in improvements to the house on the understanding that the property would become his.
5. The Landlord, Caroline Dahlke ('CD'), acknowledged that there was a conversation about an RTO arrangement. However, she stated that the Tenants failed to prepare their documents correctly and had issues with payments later; as a result, no written agreement was signed. CD stated that no agreement was ultimately finalized, and that she was not aware of the improvements SM had made to the property.
6. The Tenants did not provide details of the alleged agreement, such as the purchase price, or term of repayment. The terms of the alleged agreement were very vague overall. Moreover, section 1 of the *Statute of Frauds*, R.S.O. 1990, c. S.19 requires that a contract for the sale of land must be in writing. Therefore, I am not satisfied, on a balance of probabilities, that the parties entered into an RTO agreement.
7. The parties also relied on a written tenancy agreement which has a handwritten note stating, "All maintenance and repairs to be the sole responsibility of Stephen McPherson as per his RTOA." This note contradicts section 20(1) of the Act which places the responsibility to maintain the unit on the landlord. Consequently, the note is void under section 3(1), which states that the Act applies despite any waiver to the contrary. I am also not satisfied that the note proves that an RTO agreement existed, as it does not provide any details of the alleged agreement.

Determinations:

1. For the following reasons, I find that the Landlord in good faith requires possession of the rental unit for the purpose of residential occupation. Therefore, the tenancy is terminated on June 15, 2026.
2. On September 26, 2025, the Landlord served the Tenant an N12 notice of termination ('N12 Notice') with the termination date of November 30, 2025. The Landlord claims that they require vacant possession of the rental unit for their own residential occupation.

3. It was undisputed that the Landlord paid the Tenant compensation equal to one month's rent prior to the termination date on the N12 Notice.
4. The N12 Notice was served pursuant to section 48(1) of the Act. Section 48(1) requires that, in order to be successful in this application, the Landlord must establish that at the time of the service of the N12 Notice, the Landlord required the rental unit, in good faith, for their own use.
5. In *Feeney v. Noble*, 1994 CanLII 10538 (ON SC), the Court held that the test of good faith is genuine intention to occupy the premises and not the reasonableness of the Landlord's proposal. This principle was upheld in *Salter v. Beljinac* 2001 CanLII 40231 (ON SCDC) where the Court held that the "good faith" requirement simply means that the Landlord sincerely intends to occupy the rental unit. The Landlord may also have additional motives for selecting a particular rental unit, but this does not affect the good faith of the Landlord's notice.
6. CD testified that she is homeless, vulnerable, and depending on the grace of others. She provided letters of support from her friends and family with whom she has been staying. CD stated that she served the N12 Notice because she intends to live in the rental unit for at least one year.
7. PD disputed CD's intentions, testifying that CD tried to sell the unit in March 2025. The Landlord also served an N5 notice of termination ('N5 Notice') in March 2025 alleging substantial interference with reasonable enjoyment and filed an application to the Board (LTB-L-042380-25) which was dismissed due to technical deficiencies in the notice. PD believes CD only gave the N12 Notice because she was unsuccessful in her previous eviction application.
8. CD explained that she returned to Ontario in January 2025 because the Tenants stopped paying rent. CD discovered various illegal activity at the property and was afraid of getting fined, which is why she attempted to sell the house and gave the N5 Notice. However, since then, CD's work in Edmonton dried up in August 2025, which led her to decide to move back into the rental unit.
9. It is clear that the parties have a contentious relationship; however, I do not find that this, or their past disputes, detract from CD's intent to occupy the rental unit. A significant amount of time passed from CD's attempted sale of the unit to the service of the N12 Notice. CD did not pursue further N5 or other notices of termination after her application was dismissed, until the N12 Notice in September. CD was clear and consistent in her testimony throughout, and I find that she genuinely intends to move in.
10. Therefore, I find that the Landlord in good faith requires possession of the rental unit for their own residential occupation for a period of at least one year.
11. There is no last month's rent deposit.
12. PD testified that she is a recipient of ODSP and has had a number of surgeries. Both Tenants have trouble with stairs, and SM requires surgeries in the near future. The Tenants have two pets which were left to them by their parents, who passed away within the last year. PD requested an extension of 90 days to vacate, as SM also has many tools

on the property which he needs for work. The Tenants need to find a unit that has space for all of their tools and machinery.

13. The Landlord is currently homeless and experiencing extreme financial hardship.
14. Having considered all of the disclosed circumstances in accordance with subsection 83(2) of the *Residential Tenancies Act, 2006* (the 'Act'), I find that it would not be unfair to postpone the eviction until June 15, 2026, pursuant to subsection 83(1)(b) of the Act.

It is ordered that:

1. The tenancy between the Landlord and the Tenant is terminated. The Tenant must move out of the rental unit on or before June 15, 2026.
2. If the unit is not vacated on or before June 15, 2026, then starting June 16, 2026, the Landlord may file this order with the Court Enforcement Office (Sheriff) so that the eviction may be enforced.
3. Upon receipt of this order, the Court Enforcement Office (Sheriff) is directed to give vacant possession of the unit to the Landlord on or after June 16, 2026.

May 13, 2026
Date Issued

Kate Sinipostolova
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.

In accordance with section 81 of the Act, the part of this order relating to the eviction of the Tenant expires on December 16, 2026, if the order has not been filed on or before this date with the Court Enforcement Office (Sheriff) that has territorial jurisdiction where the rental unit is located.