



Order under Section 69 Residential Tenancies Act, 2006

Citation: The Effort Trust Company v Grant, 2026 ONLTB 29961

Date: 2026-04-15

File Number: LTB-L-013106-26

In the matter of: 602, 115 MAIN ST E
HAMILTON ON L8N1G5

Between: The Effort Trust Company Landlord

And

Lionel Grant Tenant

The Effort Trust Company (the 'Landlord') applied for an order to terminate the tenancy and evict Lionel Grant (the 'Tenant') because:

- the Tenant has been persistently late in paying the Tenant's rent.

The Landlord also claimed compensation for each day the Tenant remained in the unit after the termination date.

This application was heard by videoconference on April 9, 2026.

Only the Landlord's legal representative, Abdulrahman Asiri, attended the hearing.

As of 10:25 AM, the Tenant was not present or represented at the hearing although properly served with notice of this hearing by the LTB. There was no record of a request to adjourn the hearing. As a result, the hearing proceeded with only the Landlord's evidence.

Determinations:

1. As explained below, the Landlord has not proven on a balance of probabilities the grounds for termination of the tenancy. Therefore, the application is dismissed.
2. The Tenant was in possession of the rental unit on the date the application was filed.

N8 Notice of Termination

3. On January 12, 2026, the Landlord gave the Tenant an N8 notice of termination, deemed served on January 17, 2026. The notice states that the Tenant has been persistently late

in paying rent over the preceding 12 months. While the notice does not identify specific months of late payment, the Landlord relied on its attached ledger and nine N4 notices issued within that period.

4. I have reviewed the Landlord's records and find they do not establish a pattern of persistent late rent payments. The ledger indicates that between January 1, 2025, and April 1, 2026, the Tenant made two late payments. Both instances arose from non-sufficient funds (NSF) affecting pre-authorized payments.
5. The rent due March 1, 2025, was withdrawn by pre-authorized payment and returned NSF on March 5, 2025. The Tenant paid the resulting arrears on April 28, 2025.
6. Similarly, the rent due June 1, 2025, was returned NSF on June 5, 2025. According to the Landlord's ledger, the arrears from June 2025 remain outstanding.
7. The dates of the N4 notices indicate that the Landlord has applied all subsequent payments to the June 2025 arrears. As a result of this accounting approach (applying payments to the oldest outstanding balance) the Landlord has treated each subsequent month's rent as unpaid when due and therefore "late."
8. In *Parousis v. Centurion Property Associates Inc.*, 2025 ONSC 6864 (CanLII), the Divisional Court clarified the interpretation of subsection 58(1)1 of the Residential Tenancies Act, 2006, which permits termination where a tenant has persistently failed to pay rent on the date it becomes due.
9. As noted in paragraph 3 of *Parousis*, non-payment of rent renders it both late and in arrears; once paid, the rent remains late, but is no longer in arrears.
10. Applying this framework, the Tenant was late and in arrears for March 2025 rent until April 28, 2025, after which the rent was no longer in arrears but remained late. The Tenant is also late and in arrears for the June 2025 rent, which remains outstanding. However, the evidence does not support the conclusion that all subsequent rent payments were late.
11. The Landlord's characterization of ongoing lateness arises from its internal accounting practice of applying payments to older arrears. This practice does not establish that the Tenant failed to pay rent on the date it became due for the purposes of subsection 58(1)1 of the Act. A landlord's method of allocating payments cannot, on its own, create a pattern of persistent late payment where the evidence otherwise shows that rent was paid in full and on time for subsequent months.
12. Apart from the two instances identified, the Tenant paid rent in full and on time between January 2025 and April 2026. Two late payments over a 16-month period do not meet the threshold of "persistent" failure to pay rent when due. To find otherwise would permit a landlord to establish "persistent" late payment through bookkeeping practices rather than the Tenant's actual payment behaviour, which is not the intent of the Act.
13. Accordingly, the Landlord's application must be dismissed.

It is ordered that:

1. The Landlord's application is dismissed.

May 20, 2026
Date Issued

Melissa Anjema
Member, Landlord and Tenant Board

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If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.