



Order under Section 126 Residential Tenancies Act, 2006

Citation: Capreit Limited Partnership v Mcgrath, 2026 ONLTB 42510

Date: 2026-06-2

File Number: LTB-L-036904-23

In the matter of: 141 Augusta Street, Ottawa, Ontario, K1N 8Y9

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.

The Board received submissions from the following Tenants: Elizabeth Bergeron, Gerri McGrath, Sarah-Leanne Deslippe, Ro-Shanna Harvey, Souhaila El Filali, and Christopher Charbonneau.

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

Preliminary Matters

Submissions after the Deadline

1. On January 14, 2024, the Board received submissions after the deadline from the Tenant, Christopher Charbonneau. The Tenant submits that prior to the deadline, they attempted to upload their materials to the portal, contacted the LTB call centre for assistance, and emailed the submissions to the Landlord. The Tenant provided evidence in the form of email bounce-back messages to support their claim that they had attempted to submit their materials before the deadline.
2. In the interest of procedural fairness and natural justice, the Board allowed the Tenant's submissions and issued a Member Endorsement Form granting the Landlord a period of two weeks to view and reply to the Tenant's submissions if they wished to do so.
3. The Landlord provided a reply on March 27, 2026.
4. On March 30, 2026, the Tenant made a further submission responding to the Landlord's reply.

5. The above guideline increase application process does not allow for a reply to the Landlord's reply submissions. As set out in the Notice of Written Hearing Package, the Tenants had until December 26, 2025 to submit any written responses to the application. However, subsection 201(1)(d) of the Act states that:

The Board may, before, during or after a hearing,

- (d) permit or direct a party to file additional evidence with the Board which the Board considers necessary to make its decision;

6. After reviewing the submissions from both parties, I find no indication that further submissions are necessary for the Board to make a decision. Accordingly, the Tenant's response to the Landlord's reply will not be considered.

It is determined that:

7. 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

8. 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

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

10. 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,

- a. access for persons with disabilities;
- b. energy or water conservation; or
- c. security of the residential complex or part of it.

THE 18-MONTH WINDOW

11. 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.

12. 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

13. 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.

14. 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:

1. 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.
2. 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.
3. 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.
4. 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

15. The Landlord justified a rent increase above the guideline because of capital expenditures.

16. 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 **5.61%**, 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.

17. The Landlord's application is for the following capital expenditures:

- a. Exterior Wall, Balcony, and Parking Garage Repairs;

- b. Firehouse Cabinet Replacement; and
- c. Interior Common Area Painting.

Capital Expenditure #1: Exterior Wall, Balcony, and Parking Garage Repairs

18. The Landlord submits that the repair work on the exterior wall, balcony, and parking garage was necessary as the “existing balcony slabs required localized deep/shallow slab repairs and railings rusting; bricks were spalled/cracked; trench was required to mitigate water infiltration in garage ramp and localized concrete repair required”. The scope of work involved “concrete slab repairs to address the balcony deficiencies, replacement of railings, replacement of spalled and cracked concrete brick on the exterior wall, drainage of garage ramps, installation of a trench at the base of the garage ramp and repairs to prevent further water infiltration”. 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, along with subsection 126(7)(b) because the work was necessary to comply with subsection 20(1). The cost claimed in this capital expenditure is \$373,008.20.
19. In support of its claim, the Landlord submitted a Building Condition Assessment prepared by McIntosh Perry, dated October 2020, which made the following findings:
- a. Exterior walls are generally in good condition, much of the brickwork repairs, and there isn’t a lot, relates to the soldier coursing below the sills,
 - b. There are exposed concrete walls on the property lines to the north and south sides of the building, generally in good condition but there are areas of spalled concrete in danger of falling and therefore walls must be accessed to do this work, including protecting neighbours property and tenants
 - c. The space between individual pickets exceeds 100mm as does the space between bottom rail and slab. The decorative metal infill panel between pickets forms a step. The railings around each balcony don’t meet OBC requirements and form a danger to tenants.
 - d. The garage entrance ramp is leaking, and heavy concrete deterioration is occurring near its base.

Necessity of the Work

20. The Tenant, Souhaïla El Filali, challenged the necessity of the work submitting that the “Building Condition Assessment, McIntosh Perry’s report mentions that ‘exterior walls are generally in good condition’ and recommends only ‘local’ work as needed”. The Tenant, Gerri McGrath, adds that “the progress images of the balcony provided do not show the work that was needed, nor do they prove that the maintenance was over and above normal wear and tear”. The Tenant, Sarah-

Leanne Deslippe, submits that “we have not received any indication from CAPREIT that the balcony upgrades were required to ensure alignment with municipal regulations. Moreover, the foundations were not altered, which would support the conclusion that these upgrades were cosmetic in nature”. The Tenant, Christopher Charbonneau, submits that “the significance of [the balcony] renovation was to make things worse, significantly”. Regarding the exterior wall work, the Tenant adds that “the colour of the new mortar does not match the old mortar and looks unsightly. It is very minor and served no real purpose. No bricks were loose that I saw, and the work was simple maintenance of a preexisting exterior cladding”.

21. The Landlord, in its reply, submits that they “provided both the BCA Report from McIntosh Perry and the applicable municipal property standards by-laws in their evidence brief to support the necessity of the repairs to bring the property within compliance with the applicable property standards”. The Landlord adds that “it initiated the repairs to the balconies based on recommendations it received from the engineers that inspected the structure and as contained in their October 2020 report”.
22. The issue for the Board to determine is whether the Landlord has established that the exterior wall, balcony, and parking garage repairs were necessary to protect or restore the physical integrity of the complex. Given the findings of a third-party firm with expertise in building sciences, which recommended repairing “areas of spalled concrete in danger of falling”, brickwork, and deteriorated mortar; conducting localized balcony slab repairs and replacing balcony railings to meet building code requirements; and removing and replacing the topping, waterproofing, and deteriorated concrete slab on the garage ramp, I am satisfied that the Landlord has met this requirement. Whether or not there are ongoing issues with the garage, or whether the Tenants prefer the original or new balcony railings are not things the Board can consider in determining the success of the Landlord’s application. Furthermore, having considered the nature, scope, and cost of the work, I am satisfied that the work is not routine maintenance and meets the threshold of significant or extraordinary.

Cosmetic Component

23. The Tenant, Souhaïla El Filali, submits that “Although McIntosh Perry’s report recommends removing and replacing the railings to comply with OBC requirements, the railing replacement was done in a manner to improve the aesthetics of the building and increase its value”. The Tenant, Gerri McGrath, adds that “the balcony and total lobby renovation are clearly cosmetic work and were implemented to enhance the level of prestige or luxury offered by the complex”.
24. The Landlord, in its reply, submits that the work “was necessary within the meaning of s. 126(7)(a) of the Residential Tenancies Act 2006 to protect or restore the physical integrity of the residential complex”, adding that “just

because the foundations of the balconies were not altered that does not support a conclusion the upgrades were cosmetic in nature”.

25. When work of this kind is done there is almost always some cosmetic value. The issue with respect to the definition of capital expenditure is whether or not the work done is “substantially” cosmetic in nature or is designed to enhance the level of prestige or luxury. Stated differently, just because an item of work improves the appearance of the residential complex does not mean it is excluded from the definition of capital expenditure. For example, replacing the damaged railings may improve its aesthetics but the primary purpose of doing the work is to comply with the relevant standards, the cosmetic benefit is a by-product.
26. While I accept that there may be a cosmetic component, given that a third-party firm with expertise in building sciences determined the balcony railings needed to be replaced, I am satisfied that the primary purpose of the project was to protect or restore the physical integrity of the residential complex and to comply with subsection 20(1).

Completion of the Work

27. The Tenant, Christopher Charbonneau, submits that “the work in the basement does not appear finished”. The Tenant submits that there is an unfinished “long trench running along the side of the building. It runs down approximately 2/3's of the buildings underground garage interior. It is an unsealed, open to the soil, breach in the building parking garage floor”.
28. The Landlord did not directly address this submission.
29. Having reviewed the Landlord’s submissions, I am satisfied that a contractor was hired, the project was completed, and the Landlord has adequately justified the costs and payments associated with the amounts claimed for this capital expenditure. Furthermore, the issue for the Board to determine is whether the project was necessary to protect or restore the physical integrity of the complex. Given the findings made by McIntosh Perry, I’m satisfied the work was necessary. If the Tenant believes the condition of the parking garage, or the presence of the drainage trench would support a finding of a breach of section 20(1) of the Act, the Tenant is entitled to file their own application(s) at the Board in respect of these issues.

Timing of Work and Reasonable Enjoyment of the Units

30. The Tenant, Sarah-Leanne Deslippe, submits that “CAPREIT initiated these upgrades in the summer of 2021, in the midst of a stay-at-home order during the covid pandemic...Initiating a large-scale cosmetic upgrade under these conditions was arguably reckless and ill-planned”. The Tenant adds that “the construction barred residents from opening their balcony doors for the summer of 2021”, adding that Tenants “were locked in their apartments and unable to properly ventilate their living space for a non-essential upgrade”.

31. Similarly, the Tenant, Christopher Charbonneau, submits that the Landlord “without consent bolted our balcony doors shut, robbing us of not just our benefit of the balcony we paid for, but stopping us from getting fresh air in the middle of a heat wave”. The Tenant adds that the modified balcony railings have impacted their ability to grow plants on their balcony.
32. The Landlord, in its reply, submits that “the tenants had access to their windows and the ability to use floor model air conditioning units to cool and ventilate their units. Furthermore, tenants were not prevented from accessing their balcony doors throughout the duration of the entire summer. The work was completed in a phased approach and completed as expeditiously as possible. Once the work was completed at each tenant unit, that tenant could then use their balcony doors as necessary. It was necessary for the landlord to prevent tenants from using their balconies for a short duration to avoid risk of injury because the balcony railings had been removed”. The Landlord adds that they “did not have the foresight to predict global supply chain shortages and delays that emerged during the Covid-19 pandemic”.
33. While I appreciate the Tenants’ frustration, the timing of the work, and the impact of the work and loss of air conditioning had on the Tenants’ reasonable enjoyment of the units, are not issues the Board can consider when determining the success of an above guideline increase application. The Board lacks the jurisdiction to order compensation or a rent abatement on a landlord’s application for an above guideline increase.
34. Based on evidence submitted, I am satisfied that the exterior wall, balcony, and parking garage repairs meets the definition of capital expenditure contained in subsection 18(1) of the O. Reg. 516/06 as it was a significant repair, 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).
35. The cost of this capital expenditure is \$373,008.20.
36. The useful life of this capital expenditure is 13 years

Capital Expenditure #2: Firehouse Cabinet Replacement

37. The Landlord submits that that the firehouse cabinet replacements were necessary as the “existing cabinet was old, some latches and locks not operating properly, no longer repairable”. The scope of work involved the supply and installation of eleven (11) firehouse cabinets. The Landlord submits that these items are “eligible” under subsection 126(7)(b) as the work was necessary to comply with subsection 20(1). The cost claimed in this capital expenditure is \$16,159.00.

Necessity of the Work

38. The Tenant, Souhaïla El Filali, submits that “McIntosh Perry’s report does not mention any need for firehouse cabinet replacement, nor did CAPREIT submit any report from the fire safety commission or an accredited 3rd party entity that suggests so”. The Tenant submitted multiple photographs of the cabinets which appear to show little change to the interior of the cabinets, and notes that “the aesthetic of the cabinets’ exterior was improved and enhanced to show CAPREIT’s logo”. The Tenant, Gerri McGrath, questions whether the work was necessary submitting that “the hoses weren’t changed, the cabinets weren’t changed. The only addition was Capreit’s corporate name etched on the glass”. The Tenant, Sarah-Leanne Deslippe, adds that they have “been unable to obtain clarification from CAPREIT as to why the upgrades to the fire hydrant case and the lobby were required. In both cases they appear to align the appearance with CAPREIT’s branding (e.g., painting the walls CAPREIT colours and adding etched details to the casing, showing their corporate logo. While I can appreciate that CAPREIT might want the appearance of the building to conform to their branding, this is an unnecessary expenditure”.
39. The Landlord, in its reply, submits that the work was necessary as “the original firehose cabinets were dated; the door hinges would bind, and the latches would not consistently secure properly and were no longer repairable.”.
40. When a Tenant challenges the Landlord’s assertions as to the necessity of the work, as the applicant, the Landlord bears the onus of establishing the condition of the original firehose cabinets were such that they support a breach of subsection 20(1) of the Act. The difficulty here is that the Landlord has not provided sufficient evidence to support a finding that the work was necessary. While I accept the Landlord’s assertion that “the door hinges would bind, and the latches would not consistently secure properly and were no longer repairable”, I find the assertion alone insufficient to meet the burden of proof. The Landlord provides no further evidence such as photographs of the original cabinets, or an inspection report from a third-party firm.
41. As stated above, the onus of establishing whether the work meets the definition of capital expenditure and is eligible rests with the Landlord. Based on the evidence presented in support of this claim, I am not satisfied that the Landlord has met that burden. There was insufficient evidence presented by the Landlord to establish that the condition of the original firehose cabinets would constitute a breach of subsection 20(1) of the Act. It follows that it was instead “substantially” cosmetic in nature and designed to enhance the level of prestige or luxury for existing and prospective tenants. Such expenditures are specifically excluded as “capital expenditures” in s.18(1) of O. Reg. 516/06. Accordingly, Landlord’s claim for this item shall be denied.

Capital Expenditure #3: Interior Common Area Painting

42. The Landlord submits that the interior common area painting was necessary as the “existing paint was peeling and worn, required to be repainted”. The scope of work involved “recoating the paint finishes throughout the interior common areas”. The Landlord submits that this item is “eligible” under subsection 126(7)(b) because the work was necessary to comply with subsection 20(1). The cost claimed in this capital expenditure is \$52,561.95

Cosmetic Component

43. The Tenant, Souhaïla El Filali , submits that “there was no real nor urgent need for repainting the common areas, and that the work done was redundant and rather cosmetic than structural. Therefore, it should not be covered by the AGI”. In support of their claim, the Tenant submitted a video of the Lobby from July 30, 2021 which appears to show the walls in reasonable condition. The Landlord submits that the painting was completed on June 16, 2022.
44. The Tenant, Gerri McGrath, submits that “Capreit claims the lobby was “painted” to specifications. I can only assume those specifications were to cosmetically increase the luxury and prestige of the building. Installing marble and wood panels, leather benches and a marble table is not ‘paint’”.
45. The Landlord, in its reply, submits that “the painting project encompassed some areas in the lobby but the majority of the work was undertaken in the corridors”, adding that “the existing walls and doors within the common areas of the building had localized areas of peeling, worn, stained and deteriorated paint finishes”.
46. As above, when work of this kind is done there is almost always some cosmetic value. The issue with respect to the definition of capital expenditure is whether or not the work done is “substantially” cosmetic in nature or is designed to enhance the level of prestige or luxury. For example, painting a badly peeling hallway will improve its aesthetics but the primary purpose of doing the work is to repair the hallway, the cosmetic benefit is a by-product.
47. The difficulty here is that the Landlord has not provided sufficient evidence to support a finding that the work was necessary. As above, when Tenants challenge the Landlord’s assertions as to the condition of the common area paint, as the applicant, the Landlord bears the onus of establishing the condition of the walls were such that they support a breach of subsection 20(1) of the Act. While I accept the Landlord’s assertion that “the existing walls and doors within the common areas of the building had localized areas of peeling, worn, stained and deteriorated paint finishes”, I find the assertion alone insufficient to meet the burden of proof. Furthermore, the Landlord provides no additional evidence such as photographs of the hallways to support their position that the work was necessary.

48. As stated above, the onus of establishing whether the work meets the definition of capital expenditure and is eligible rests with the Landlord. Based on the evidence presented in support of this claim, I am not satisfied that the Landlord has met that burden. There was insufficient evidence presented by the Landlord to establish that the condition of the original walls were such that they would constitute a breach of subsection 20(1) of the Act, it follows that it was instead “substantially” cosmetic in nature and designed to enhance the level of prestige or luxury for existing and prospective tenants. Such expenditures are specifically excluded as “capital expenditures” in s.18(1) of O. Reg. 516/06. Accordingly, Landlord’s claim for this item shall be denied.

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

Written Submissions

Lawful Rent

50. The Tenants, Souhaïla El Filali and Ro-Shanna Harvey, sought to challenge the validity of the Notice of Rent Increase (N1) served by the Landlord.

51. The Landlord, in its reply, submits that it “has given the appropriate notices to implement the projected increase over a three-year period as provided for in s. 126(10) and (11) of the Residential Tenancies Act”.

52. While I appreciate the Tenants’ submission, the validity of a N1 and the lawful rent of a unit are not issues the Board is entitled to consider in determining whether a Landlord’s above guideline increase application is successful. Members do not have the discretion to deviate from the legal tests set out above. If the Tenants believe they have been given an unlawful increase, they are entitled to file their own application(s) at the Board in respect of these issues.

Included in Rent

53. The Tenant, Souhaïla El Filali, submits that “the balcony renovation cost should have been already included in the set rental cost”. The Tenant, Ro-Shanna Harvey, adds that “I was informed that outstanding work including the replacement of balconies and sliding doors would be completed by the start of my lease on September 1, 2021. I understood that the rent I agreed to already reflected the condition of the unit and the anticipated completion of the building”.

54. The Landlord, in its reply, submits that “the exterior wall, balcony and parking garage repair capital expenditure projects began June 4, 2021, and continued until September 28, 2021. We submit that the tenant of Unit 47 should be subject to the application because their tenancy commenced prior to the projects being completed” adding that “the tenant at Unit 56 is properly subject to the exterior wall, balcony and parking garage repair capital expenditure... The capital

expenditure work was completed September 28, 2021, after the commencement of the tenancy agreement”.

55. The issue for the Board to determine is whether a Tenant was in possession of rental unit when the capital expenditure work was completed and would therefore be subject to the increase. While I understand the Tenants’ position that a portion of the work was done 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 Tenants obtained occupancy in July 2021 and September 1, 2021, and the capital expenditure work was completed September 28, 2021. As the Tenants 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 the Tenant had prior notice of capital expenditure work before moving in is not something the Board can consider in an above guideline increase application.

Fairness of the Landlord’s Application

56. Numerous Tenants have raised issues around the housing affordability, rent control, and the actions of real-estate investment trusts.
57. 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 above guideline increase for eligible capital expenditures incurred respecting the residential complex or rental units. Furthermore, in an above guideline increase application, the Board’s jurisdiction is limited to determining whether the Landlord has established that the capital expenditure work is both necessary and eligible. In this case, I am satisfied that the Landlord has done so.

Charter Challenge

58. The Tenant, Christopher Charbonneau, submitted to evidence what they refer to as a “Charter Challenge”, in which they claim above-guideline rent increase are unconstitutional, alleging they violate multiple Charter principles.
59. In situations where a party is suggesting they wish to raise a constitutional question, they are required to serve a “Notice of Constitutional Question” on the Attorney General of Canada and the Attorney General of Ontario at least 15 days before the hearing in accordance with section 109 of the Courts of Justice Act.
60. There is nothing in the Tenant’s submissions indicating that they have complied with those requirements. As such, it is not something the Board can consider.

Financial Hardship

61. The Tenants submit that any rent increase approved under this application will result in substantial financial burden.

62. 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.
63. 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.

Maintenance

64. The Tenant, Christopher Charbonneau, submits that there are issues with "pigeons infestations and the feces that goes along with them".
65. The Landlord, in its reply, submits that the "railing replacement has nothing to do with an alleged subsequent pigeon infestation and this is not a factor to be considered under the legislation in determining the application".
66. Subsection 126(12) of the *Act* refers to serious, ongoing breaches of the Landlord's maintenance obligations. I am not satisfied that maintenance issue raised by the Tenant, even if they remain outstanding, 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 Tenants are entitled to file their own application(s) at the Board in respect of these issues.

General

67. The Certificate of Service filed by the Landlord on November 24, 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: 1, 25, 28, 28, 32, 32, 33, 34, 38, 41, 41, 42, 42, 42, 44, 52, 53, 55, 58, 58, 68, 74, 75, and 77.
68. 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 Tenants 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.

June 2, 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 2.50%, for 2024 is 2.50%, and for 2025 is 2.50%.

Schedule 1 - Units affected by this Order:

141 Augusta Street, Ottawa, Ontario, K1N 8Y9

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Schedule 2 - Tenants who are Affected by this Order:

Aube, Viola
Banimahdi, Ramin
Bergeron, Elizabeth
Bird, Elder
Charbonneau, Christopher
Chartrand, Colette
Cormier, Adam
El, Filali Souhaila
Elder, William
Gauthier, Frederic
Ginley, Sarah
Harvey, Ro-Shanna
Issa, Rola
James, Nell
Kirk, Marsha
Kirk, William
Leanne, Deslippe Sarah
Little, Tyler
Lowry, Tara
Manlagnit, Camille
Manlagnit, Francis
Mcgrath, Gerri
Misener, Gillian
Mishra, Snehashish
Robillard, James
Robillard, Robert
Savolainen, Wendy
Skakiba, Elham
Valentine, Moreen
Wilson, Kimberly

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 of June 1, 2023 to May 31, 2024		For the Period of June 1, 2024 to May 31, 2025			
Rental Unit Address	% 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
21, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
22, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
23, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
26, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
31, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
35, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
37, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
43, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
45, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
46, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
47, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
48, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
51, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
54, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
56, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
61, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
63, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
64, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
66, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
67, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
71, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
72, 141 Augusta Street	3.00%	3.00%	2.61%	2.61%	13	5.61%
73, 141 Augusta Street	0.00%	0.00%	0.00%	0.00%	0	0.00%

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.