



## Order under Section 69 Residential Tenancies Act, 2006

File Number: LTB-L-017943-26

**In the matter of:** 601, 89 WILLOW RD  
GUELPH ON N1H 1W7

**Between:** Skyline Real Estate Holdings Inc., C/O Landlord  
Skyline Living

**and**

Tony Prior Tenant

Skyline Real Estate Holdings Inc., C/O Skyline Living (the 'Landlord') applied for an order to terminate the tenancy and evict Tony Prior (the 'Tenant') because the Tenant did not pay the rent that the Tenant owes.

The Landlord also claimed charges related to NSF cheques.

This application was heard by videoconference on May 6, 2026.

The Landlord's representative, Trevor Scheib, and the Tenant attended the hearing.

### **Determinations:**

#### *Preliminary Issues*

1. At the beginning of the hearing, the Landlord's representative requested to withdraw the Landlord's claim related to NSF cheques. I consented to the request.
2. The Tenant raised a concern that the Landlord was charging an above guideline increase ('AGI') before the Board had issued an order approving that increase. The Tenant referred to the Notice of Rent Increase which provides that on November 1, 2025, the rent will increase to \$2,278.59 per month. This is an increase of \$118.79 or 5.50%. The form also states that the rent increase is more than the guideline and that the increase must be approved by an order under the *Residential Tenancies Act, 2006* (the 'Act').
3. As indicated to the Tenant during the hearing, the current lawful rent is \$2,213.80 per month. The AGI amount has not been approved by an order of the Board.
4. The Tenant receives a rent subsidy from the Social Services Department – Housing services (County of Wellington). The Tenant and the County voluntarily pay to the Landlord

the proposed AGI amount and not the Tenant's lawful rent. The Landlord's representative stated that the extra amounts paid by the Tenant are being applied as credits towards the arrears. I accept this evidence and find that the Tenant voluntarily pays more than his lawful rent. Further, I am satisfied that the N4 notice and the L1 application were based on the Tenant's lawful rent of \$2,213.80 and not the proposed pending AGI amount.

5. Subsection 126(5) of the Act states: "If an application is made under this section and the landlord has given a notice of rent increase as required, until an order authorizing the rent increase for the rental unit takes effect, the landlord shall not require the tenant to pay a rent that exceeds the lesser of,

(a) the new rent specified in the notice; and

(b) the greatest amount that the landlord could charge without applying for a rent increase."

6. **Therefore, the Tenant is not required to pay the proposed increase AGI amount unless and until the Board approves it.**

#### *L1 Application*

7. The Landlord served the Tenant with a valid Notice to End Tenancy Early for Non-payment of Rent (N4 Notice). The Tenant did not void the notice by paying the amount of rent arrears owing by the termination date in the N4 Notice or before the date the application was filed.
8. As of the hearing date, the Tenant was still in possession of the rental unit.
9. The lawful rent is \$2,213.80. It is due on the 1st day of each month.
10. Based on the Monthly rent, the daily rent/compensation is \$72.78. This amount is calculated as follows:  $\$2,213.80 \times 12$ , divided by 365 days.
11. The Tenant has paid \$6,835.17 to the Landlord since the application was filed; therefore, I find that the rent arrears owing to May 31, 2026 are \$878.67.
12. The Tenant stated that he stopped or reversed a November 2025 payment because he did not understand why a higher amount had been withdrawn from his account. The Tenant testified that he has repeatedly asked the Landlord for an explanation. Here, the Tenant is referring to the fact that he is paying more than his lawful rent for which I provided a detailed explanation above.
13. As a result of the stopped or reversed payment, the Tenant was in arrears for November 2025 so he signed the Landlord's Payment Agreement Form dated January 26, 2026, in which he authorized the Landlord to withdraw \$1,223.19. If the Landlord accepted the Tenant's payment by processing it then the Tenant would have voided the N4 notice.
14. In other words, it is the Tenant's position that he voided the N4 notice by authorizing the Landlord to withdraw \$1,223.19 on January 26, 2026. The Tenant stated that the Landlord has his authorization but has not accepted the payment.

15. The Landlord's representative acknowledged the Payment Agreement Form signed by the Tenant on January 26, 2026. He indicated that the form has not been approved by the Landlord because it is a preliminary form. The form itself did not clearly say that it was preliminary or that no payment was or would be taken unless the Landlord later approved it. Nonetheless, I find the Landlord's lack of approval or lack of regard with respect to an outstanding payment which is owed to them to be unreasonable. This is because, had the Landlord accepted the payment authorized by the Tenant on January 26, 2026, the Tenant would have voided the N4 notice, which, in turn, would have avoided the Landlord's incurred costs of \$186.00 for filing the application.
16. I have considered the Tenant's willingness to pay the arrears and the confusion caused by the lack of clear communication from the Landlord with respect to the wording of the payment form, and I accept that the Tenant reasonably believed that the payment would be processed, and the fact that the Landlord did not or will not accept his payment is not the Tenant's fault. Therefore, I find that an order to terminate the tenancy would not be appropriate in the circumstances. However, it is undisputed that \$878.67 remains outstanding up to May 31, 2026. While the Landlord's claim for the application fee is denied, the claim for the arrears is granted.

**It is ordered that:**

1. The Tenant shall pay to the Landlord \$878.67 for rent arrears owing up to May 31, 2026.
2. If the Tenant does not pay the Landlord the full amount owing on or before June 30, 2026, the Tenant will start to owe interest. This will be simple interest calculated from July 1, 2026 at 4.00% annually on the balance outstanding.

**June 9, 2026**  
**Date Issued**

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Adeela Alvez  
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.