



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

File Number: LTB-L-085863-25

In the matter of: 177 March Street, Unit 2, Sault Ste. Marie,
Ontario, P6A 2Z6

Between: Luke Kumar Landlord
2806296 Ontario Ltd

And

Kim Daigle Tenant

Luke Kumar and 2806296 Ontario Ltd (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 Landlord and the Tenant, Kim Daigle – Unit 2.

Preliminary Matters

Supporting documents

1. The Tenant residing in Unit 2 questioned through their submission, whether the Landlord provided proof of the tax increase, noting "I have yet to receive".
2. When seeking an above guideline rent increase due to an extraordinary increase in municipal taxes and charges, the Landlord is required to submit evidence of their final tax costs for the Reference and Base Years and their proof of payment of those costs. I am satisfied that the Landlord has done so in this instance. 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.
3. The Landlord filed a number of Certificates of Service with the Board on October 30, 2025, providing that the Landlord had couriered to the Tenant, the Notice of Hearing and related document package, which included the Landlord's application on the same day. The Notice of Hearing contains information about how to access the application, supplementary evidence, in addition to how to

participate in these proceedings. As such, the information needed to participate in these proceedings including information on how to obtain the Landlord's supporting materials was available to the Tenant.

It is determined that:

Municipal Taxes and Charges

4. 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).
5. The maximum rent increase above the guideline because of an extraordinary increase in the cost for municipal taxes and charges is 4.01%. This increase is to be taken in the first year.
6. The first effective date of the rent increase above the guideline is January 1, 2026.

Affected Rental Unit

7. The Tenant residing in Unit 2 questioned, through their submissions, why they are the only Tenant affected by the application when there are other units in the building.
8. In reply, the Landlord submits that they have included in the rent amount charged to the Tenants in other rental units, the increase in rent associated with the increase in municipal taxes. They submit that this is why they have not included those Tenants and rental units as affected parties to the application.
9. For clarity, the Landlord is not required to include all units as parties to the application. However, the rules calculate the increase based on 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 Tenant Guide – How to Prepare for an Above Guideline Increase Hearing

10. The Tenant residing in Unit 2 questioned, through their submissions, what is the maximum amount the Board can Order.
11. The document entitled How to Prepare for an Above Guideline Increase Hearing provided information to affected Tenants including that "the highest rent increase

that could be ordered by the LTB is 4.01% for municipal taxes and charges based on the costs claimed by the landlord in the application..”

Prior Above Guideline Increases

12. The Tenant residing in Unit 2 submits that the Landlord has applied for several above guideline increases within the last two years which should be taken into consideration.
13. While I can understand the submission of the Tenant, the Board is a creature of statute and must apply the law as it exists. The Act does not limit the amount of an above guideline increase which a Landlord’s application supports due to an extraordinary increase in municipal taxes and charges. Further, an above guideline increase due to an extraordinary increase in municipal taxes and charges is not impacted by prior above guideline increases.

It is ordered that:

1. The Landlord may increase the rents charged by 4.01% for the units set out in this Order.
2. The percentage increase set out in paragraph 1 is to be taken within the time period of January 1, 2026, to December 31, 2026.
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 120 days of the date of this order.

June 9, 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. 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.
2. 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.
3. The annual guideline for 2026 is 2.10%.