



Order under Section 126 Residential Tenancies Act, 2006

Citation: Capreit Limited Partnership v Lee, 2026 ONLTB 46163

Date: 2026-06-10

File Number: LTB-L-034761-23

In the matter of: 1221 Simcoe Street North, Oshawa, Ontario, L1G 4X2

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.

This application was resolved by a written hearing. The Board received submissions from the following Tenants: Robert Joseph Hirtle (as represented by Deborah Hirtle); Robert D. Keats, Anthony Wihlidal, Karen Garton, Terry Appleton, and Wilmen Ramirez.

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

Preliminary Matters

Request to Remove Capital Expenditures

1. Prior to the commencement of the written hearing, the Landlord requested the Board's permission to amend the application to withdraw the following capital expenditures:
 - a. Capital Expenditure #2 – Interior Common Area Painting;
 - b. Capital Expenditure #3 – Interior Common Area Flooring Replacement;
 - c. Capital Expenditure #6 – Fence Installation;
 - d. Capital Expenditure #7 – Boiler Repairs;
 - e. Capital Expenditure #8 – Exhaust Fan Replacement; and
 - f. Capital Expenditure #9 – Elevator Room Air Conditioner Replacement.
2. I have granted this request.

It is determined that:

3. 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

4. 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

5. In addition to meeting the definition of capital expenditure, each of the Landlord's claimed items must be an "eligible" capital expenditure.
6. 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

- 7. 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.
- 8. 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

- 9. 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.

- 10. 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

11. The Landlord justified a rent increase above the guideline because of capital expenditures.
12. 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 **6.36%**, 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.
13. The Landlord's application is for the following capital expenditures:
 - a. Balcony and Exterior Wall Refurbish;
 - b. Pool Roof Replacement; and
 - c. Automatic Door Operators and Common Area Doors Replacement.

Capital Expenditure #1 - Balcony and Exterior Wall Refurbish

14. The Landlord submits that the balcony and exterior wall refurbishments were necessary as the "existing balcony slabs and exterior walls [were] delaminating, spalling, railings rusted, passed useful life". The scope of work included the balcony railing replacement, concrete slab repairs, EIFS panel and coating replacement, caulking, painting, and other associated works. 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, and 126(7)(b) as the work was necessary to comply with subsection 20(1). The cost claimed in this capital expenditure is \$1,409,760.82.

15. In support of its claim, the Landlord submitted reports prepared by McIntosh Perry which found that “the space between individual railing pickets exceeds 100mm as does the space between bottom rail and slab and don’t meet OBC requirements and form a danger to tenants” and recommended to “remove existing railings and install a new glass panel railing assembly across each balcony perimeter. Locally repair concrete within balcony slabs. Carefully remove sections of the corner EIFS at balcony sides, add insulation and modify as required to fill voids and apply new lamina and finish coating over EIFS”.

Cosmetic Upgrade

16. The Tenant, Wilmen Ramirez, submits that “the balcony and exterior wall work appears cosmetic rather than structural”.
17. The Landlord, in its reply, submits that “the work was necessary to address significant safety and structural issues at the residential complex as determined by qualified engineers who assessed the property and set out recommendations to address the deficiencies”. The Landlord adds that “that the purpose for the work completed was to address significant safety and structural, physical integrity issues and not as a cosmetic upgrade”.
18. 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.
19. While I accept the Tenant’s position that there may be a cosmetic benefit to the work, given that a third-party firm with expertise in building sciences determined the repairs were required, I am satisfied that the primary purpose of the project was to protect the physical integrity of the building and to comply with housing standards, the cosmetic benefit is a by-product.
20. Accordingly, I am satisfied the balcony and exterior wall refurbishments meet the definition of capital expenditure contained in subsection 18(1) of O. Reg. 516/06 as it was a significant repair and replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsections 126(7)(a) of the Act because it was to protect or restore the physical integrity of the residential complex, and 126(7)(b) as the work was necessary to comply with subsection 20(1).
21. The cost of this capital expenditure is \$1,409,760.82.
22. The useful life of this capital expenditure is 15 years.

Capital Expenditure #2 - Pool Roof Replacement

23. The Landlord submits that the pool roof replacement was necessary as the “existing roof [was] beyond useful life, leaking, required replacement”. The scope of work included replacing the roof assembly over the pool roof. 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, and 126(7)(b) as the work was necessary to comply with subsection 20(1). The cost claimed in this capital expenditure is \$78,874.00.
24. In support of its claim, the Landlord submitted reports prepared by McIntosh Perry Building which recommended to “remove and replace roof assembly over the pool roof”, and a Tri-Tech Pinnacle Rood Condition Report which noted “signs of deterioration and some serious roofing deficiencies were noted. Roof replacement is recommended as soon as budgeting allows”.

Eligibility

25. The Tenant, Wilmen Ramirez, submits the Landlord is seeking to recoup costs “for repairs to a facility tenants have been unable to use for years. The pool was closed immediately after CAPREIT took over the building”, adding that “no replacement amenity has been provided. Tenants should not fund repairs to a permanently closed facility”. The Tenant, Terry Appleton, adds that “the pool has been closed and of no use to the tenants since 2023, the repairs they did does nothing for us. The pool is empty, windows are covered, and the company uses it for storage”.
26. Regarding the Tenants’ claim that they no longer have access to the pool, the Landlord submits that “the claim of a loss of amenity is not an issue to be addressed through the L5 application written hearing process”, adding that “the pool area is being used, is a part of the residential complex, and requires the structure to be sound with an effective roof system in place”.
27. As above, the question for the Board to determine is whether the pool roof repair was necessary to protect or restore the physical integrity of the residential complex, or part of it. Even if tenants do not have access to the swimming pool, the roof remains an integral part of the overall residential complex, damage to which may compromise the physical integrity of the building as a whole. Given that a third-party firm with expertise in building sciences determined the pool roof repairs were required, I am satisfied that the work was necessary.
28. While I appreciate the Tenants’ frustration over a discontinuance of a service or facility, the Board lacks the jurisdiction to order compensation or a rent abatement on a landlord’s application for an above guideline increase. Accordingly, it is not an issue the Board is entitled to consider in determining whether a landlord’s above guideline increase application is successful.

29. Having reviewed the evidence before me, I am satisfied the pool roof replacement meets the definition of capital expenditure contained in subsection 18(1) of O. Reg. 516/06 as it was a significant repair and replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsections 126(7)(a) of the Act because it was to protect or restore the physical integrity of the residential complex, and 126(7)(b) as the work was necessary to comply with subsection 20(1).
30. The cost of this capital expenditure is \$78,874.00.
31. The useful life of this capital expenditure is 15 years.

Capital Expenditure #3 - Automatic Door Operators and Common Area Doors Replacement

32. The Landlord submits that the automatic door operator and common area door replacements were necessary "to promote access to common areas for tenants [and] common area doors no longer functioning properly, required to be replaced with fire rated doors and deadbolt locking systems". The scope of the work involved the installation of automatic door operators in the laundry rooms on seven floors of the building and four main entrance automatic door operators, and new fire rated common area door. The Landlord submits that these items are "eligible" under subsection 126(7)(b) as the work was necessary to comply with subsection 20(1), and 126(7)(d) as it provides access for persons with disabilities. The cost claimed in this capital expenditure is \$66,917.07.

Eligibility of the Work

33. The Tenant, Wilmen Ramirez, challenged the eligibility of the work and submits that "the door replacements appear to be elective upgrades. Previous doors and access systems were fully functional. No safety or structural issues were identified. The new access systems improve appearance but do not enhance tenant safety".
34. The Landlord, in its reply, submits that "the automatic door operator system installed November 10, 2021, was a new system installation with automatic door operators installed at the two laundry rooms on each of the seven floors of the building, and four main entrance automatic door operators were installed and new fire rated common area doors were installed to replace damaged doors". The Landlord adds that "although the new common area doors were more aesthetically pleasing than the older, worn, damaged doors, they were installed to comply with the housing standards. The automatic door operators were installed to provide access for persons with disabilities per s. 126(7)(d) and s. 126(8)(a) of the Act. The common area doors were replaced as per s. 126(7)(b) of the Act to comply with housing standards".
35. Subsection 126(7)(d) of the Act specifically says work done that provides access for persons with disabilities is eligible. Given that the automatic door openers

improve access for persons with disabilities, I am satisfied the work is eligible. Furthermore, I am satisfied the fire doors are eligible expenditures as part of the Landlord's responsibility under subsection 20(1) to comply with health, safety, housing, and maintenance standards.

36. Accordingly, I am satisfied that automatic door operators and common area doors replacements meet the definition of capital expenditure contained in subsection 18(1) of O. Reg. 516/06 as it was a significant replacement, the expected benefit of which extends for at least five years. It also meets the test for eligibility under subsection 126(7)(b) as the work was necessary to comply with subsection 20(1), and 126(7)(d) as it provides access for persons with disabilities.
37. The cost of this capital expenditure is \$66,917.07.
38. The useful life of this capital expenditure is 15 years.
39. The weighted useful life for the capital expenditures is as specified in Schedule 3.

Written Submissions

Maintenance

40. The Tenants submits that the Landlord has not addressed a number of maintenance and health and safety issues affecting their unit, and the building as a whole. These issues include:
- a. Dirty windows and balconies;
 - b. Rat and cockroach infestations;
 - c. Inadequate cleaning of common areas, including hallways and stairwell railings;
 - d. Lack of security and building personnel;
 - e. Hot water issues;
 - f. Broken fencing;
 - g. Poor landscaping and general site maintenance; and
 - h. Reduction in tenant services and on-site support.
41. The Landlord, in its reply, submits that they address the maintenance issues as they are brought to the Landlord's attention, adding that "that these issues should not be considered to meet the test required regarding s. 126(12) of the Residential Tenancies Act, 2006".
42. After reviewing the Tenants' maintenance claims, I accept that some of the maintenance issues raised by the Tenants would constitute a breach of subsection 20(1) of the Act. However I am not satisfied that taken individually or collectively, the issues 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.

18-Month Period

43. The Tenant, Doug Ludgate, submits that the work “needs to be completed within 18 months of the time a rental increase occurs. Most of the work in this file was completed in 2021 and 2022”.

44. Pursuant to subsection 26(2) of O. Reg. 516/06:

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 to in the application.

45. The Landlord’s application indicates that the first effective date of the proposed rent increase is June 1, 2023. The date that is ninety days prior to the first effective date in this application is March 3, 2023. As a result, all work must have been completed during the period of September 3, 2021 to March 3, 2023.

46. The Landlord, in its reply, submits that “the work was completed within the 18-month window as required and all invoices submitted related to the capital expenditure costs are eligible”.

47. While I understand the Tenant’s position, as long as the invoices which predate the 18-month window are related to the overall projects, and those projects are completed and paid for during the 18-month period, the work may be deemed eligible. In this case, I am satisfied that the Landlord has established that all costs claimed in the application are related to the overall projects, which were completed during the 18-month period ending 90 days before the effective date.

Financial Impact

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

49. 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.

50. 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.

Future AGI's

51. The Tenant, Wilmen Ramirez, submits that "the Landlord recently notified tenants of planned capital expenditures for 2026. Given the pattern of appearance-focused upgrades, there is a reasonable concern that these future projects may also be used to justify additional AGI applications. Tenants should not face further rent increases based on discretionary improvements that primarily enhance property value".
52. Although the Tenant may feel it is unjust, section 126 of the Act specifically provides that a landlord may apply for an AGI for eligible capital expenditures incurred respecting the residential complex or rental units. Members do not have the ability to bar landlord's from filing applications nor the discretion to deviate from the legal tests set out above.

Sale Price of Building

53. Numerous Tenants submit that the new building owner was aware of the necessary repair work prior to the purchase of the building and should have therefore factored in these costs into the sale price.
54. The Landlord, in its reply, submits that "covenants concerning things related to a rental unit or the residential complex run with the land, whether or not the things are in existence at the time the covenants are made. The landlord is responsible to maintain the residential complex upon taking possession of the residential complex at the time of purchase. The project was completed as recommended to comply with the requirements and covenants".
55. The Landlord is correct. Pursuant to Section 18 of the Act, when a person purchases a rental property with tenants, it is said that the purchaser effectively "steps into the shoes of the previous landlord". This means that they inherit the benefits and liabilities that come with the residential complex. Whether or not the Landlord negotiated a lower price for the complex because of work that needed to be done to the building is not an issue the Board can 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.

General

56. The Certificate of Service filed by the Landlord on December 23, 2025, indicates that some rental units listed in the application were not served with the application and notice of hearing. The Board 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: 104, 116, 117, 119, 121, 124, 211, 213, 216, 217, 218, 219, 221,

222, 306, 307, 311, 312, 323, 403, 404, 407, 408, 413, 416, 418, 423, 424, 425, 501, 502, 512, 518, 519, 522, 603, 606, 608, 611, 614, 615, 616, 617, 619, 621, 624, 704, 707, 711, 713, 714, 715, and 718.

57. The Certificate of Service filed by the Landlord on December 23, 2025, indicates that a Tenant listed in the application was not served with the application and notice of hearing. The Board shall therefore amend the application by removing this Tenant as a party. As a result, this order for a rent increase above the guideline under section 126 of the Act does not apply to the following Tenant: Brandon Coates (Unit 112).

58. 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 10, 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%, for 2025 is 2.50%, and for 2026 is 2.10%.

Schedule 1 - Units affected by this Order:**1221 Simcoe Street North, Oshawa, Ontario, L1G 4X2**

101	314	516
102	315	517
103	316	521
106	317	523
108	318	524
111	319	525
112	320	601
113	321	602
114	322	604
115	324	607
120	325	613
123	401	618
125	402	622
202	406	623
203	411	625
204	412	701
206	414	702
207	415	703
208	417	706
214	419	708
215	420	712
220	421	716
223	422	717
224	503	719
225	504	720
301	506	721
302	507	722
303	508	723
304	513	724
308	514	725
313	515	

Schedule 2 - Tenants who are Affected by this Order:

Adamson, Walter	Hall, Jeff
Aderson, Fred	Hicks, Shirley
Akbar, Ali	Hinton, David
Appleton, Terence	Hinton, Edith
Arnold, Noreen	Hinton, Roy
Ashby, Kevin	Hirtle, Robert Joseph
Austin, Brian	Horton, Blair
Austin, Margaret Muir	Horton, Robyn
Bakare, Mojisola	Ireland, Kelly
Barker, Marguerite	Keats, Robert D
Barker, Stan	Kennedy, Kelly
Baronio, Lois	Khalil, Said Ahmed Zaky
Bebe, Limeback	Kirtley, Darlene
Bibby, Samantha	Kozar, Eleanor
Bibby, Steven	Kozar, Murron
Boyko, Allen	Kranz, Sigrid
Brisebois, Barbara	Lake, Janice
Broome, Barbara	Langille, Melanie
Broome, Kathleen	Lee, Travis
Brown, Gloria J	Leith, Stephen
Burton, Janine	Limeback, Karlton Zachary
Carter, Kenneth	Ludgate, Douglas
Caycho, Yanina	Ludwig, Sarah
Chestnut, Bob	Luke, Deborah
Clarke, Amy-Lynn	Luke, Edward
D'andrade, John	Macdonald, Kathryn
David, Temitope	Mackay, Linda
Devine, Christopher	Martin, George
Devine, Jane	Matrasingh, Chevez
Doyle, Dianne	Mcauley, Dennis
Doyle, Vincent	Mccann, Daniel
Durbin, Karen	Mccann, Patsy
Durbin, Lee	Mceldon, Christine
Ellenor, Katie Lynn	Mclean, Allison
Fass, Debra	Morley, Hellen
Fass, Timothy	Morley, William
Finner, Patrica	Mosier, Barbara
Foxall, Nina Maud	Mutesa, Aline
Franssen, Matthew Adam	Nelson, Dean
Gabona, Rebecca	Nesbitt, Brenda
Garton, Karen	Nesbitt, Megan
Gervais, Marilyn	Oladeinde, Abimbola
Glenn, Jeffrey	Oladeinde, Joseph
Goguen, Shelley	Patton, Barbara

Perrie, Thomas
Peterson, Ronald
Pickett, Margaret
Rajaratnam, Naguleswary
Ramirez, Wilmen
Ramirez, Winston
Ronald, Chris
Rudka, Ann
Russell, Shirley
Rzesnoski, Joe
Sahadevan, Shiyamala
Samis, Carolyn
Saunders, Patrica
Semenak, Adam
Snow, Ledia
Sopher, Stephanie
Stanikzy, Hadi
Stewart, Charles
Stewart, Darryl

Tunney, Paul
Turkovich, Joanne L
Twiner, Elsie
Vaccariello, Mary Jean
Vannatter, Ashley
Vernett, Edric
Wachowicz, Zofia
Walduck, Jeff
Wareham, Marilyn
Wesselius, Sebold
Wihlidal, Anthony
Wilkins, Gary
Wilkson, Andrew
Wilson, Jason
Wilson, Joy
Wilson, Roy
Xourafas, Stephen
Young, Gary

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		For the Period of June 1, 2025 to May 31, 2026			
Rental Unit Address	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	% 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
101, 1221 Simcoe Street North	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0	0.00%
102, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
103, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
106, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
108, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
111, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
112, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
113, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
114, 1221 Simcoe Street North	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0	0.00%
115, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
120, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
123, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
125, 1221 Simcoe Street North	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0	0.00%
202, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
203, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
204, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%

	For the Period of June 1, 2023 to May 31, 2024		For the Period of June 1, 2024 to May 31, 2025		For the Period of June 1, 2025 to May 31, 2026			
Rental Unit Address	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	% 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
206, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
207, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
208, 1221 Simcoe Street North	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0	0.00%
214, 1221 Simcoe Street North	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0	0.00%
215, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
220, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
223, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
224, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
225, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
301, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
302, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
303, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
304, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
308, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
313, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
314, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
315, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
316, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
317, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
318, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
319, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
320, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
321, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%

	For the Period of June 1, 2023 to May 31, 2024		For the Period of June 1, 2024 to May 31, 2025		For the Period of June 1, 2025 to May 31, 2026			
Rental Unit Address	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	% 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
322, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
324, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
325, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
401, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
402, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
406, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
411, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
412, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
414, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
415, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
417, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
419, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
420, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
421, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
422, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
503, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
504, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
506, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
507, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
508, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
513, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
514, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
515, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%

	For the Period of June 1, 2023 to May 31, 2024		For the Period of June 1, 2024 to May 31, 2025		For the Period of June 1, 2025 to May 31, 2026			
Rental Unit Address	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	% 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
516, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
517, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
521, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
523, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
524, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
525, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
601, 1221 Simcoe Street North	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0	0.00%
602, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
604, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
607, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
613, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
618, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
622, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
623, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
625, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
701, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
702, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
703, 1221 Simcoe Street North	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0	0.00%
706, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
708, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
712, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
716, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
717, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%

	For the Period of June 1, 2023 to May 31, 2024		For the Period of June 1, 2024 to May 31, 2025		For the Period of June 1, 2025 to May 31, 2026			
Rental Unit Address	% inc for Cap Exp (Max 3%)	Total Increase (Excludes Guideline)	% 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
719, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
720, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
721, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
722, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
723, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
724, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%
725, 1221 Simcoe Street North	3.00%	3.00%	3.00%	3.00%	0.36%	0.36%	15	6.36%

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 of June 1, 2023 to May 31, 2024, 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 of June 1, 2023 to May 31, 2024, 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.