



Order under Subsection 87(1) Residential Tenancies Act, 2006

Citation: 1912802 ONTARIO INC. v Hafeez, 2026 ONLTB 48171

Date: 2026-06-19

File Number: LTB-L-072449-25

In the matter of: 103, 151 RANDOLPH PL
WINDSOR ON N9B2T2

Between: 1912802 ONTARIO INC. Landlord

And

Hassan Hafeez Tenant

1912802 ONTARIO INC. (the 'Landlord') applied for an order requiring Hassan Hafeez (the 'Tenant') to pay the rent that the Tenant owes.

This application was heard by videoconference on June 16, 2026.

Only the Landlord's Representative, Caroline Chevalier, attended the hearing.

As of 1:40 p.m., 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. The Landlord was informed that the Tenant had vacated the rental unit on September 12, 2025. No notice of termination of the tenancy was provided to the Landlord prior to this date. The Tenant was in possession of the rental unit on the date the application was filed.
2. The Tenant and Landlord's entered into a lease with a fixed term of September 1, 2024 to August 31, 2025. A copy of this lease was provided to the Board. The additional terms page of that lease contains the following clause:

"If any tenants fail to advise the landlord in writing 60 days prior to the end of this lease term or any subsequent lease term that they will be vacating the premises by the end of the lease term then the tenants agree that this and any subsequent lease will automatically renew for a 12-month period with all of the clauses, terms, and conditions in this lease remaining the same, but for the rent which may be increased."

3. The Landlord submits that given this clause in the lease, the lease automatically renewed for a further one-year term since the Tenant did not give 60 days written notice prior to the end of the fixed term in the lease, and therefore that the Tenant remains liable for rent to the hearing date.
4. During the hearing I put to the Landlord's Representative that this clause appeared to me to be contrary to section 38(1) of the *Residential Tenancies Act*, 2006 (the "Act") and therefore void. Section 38(1) of the Act states:

38 (1) If a tenancy agreement for a fixed term ends and has not been renewed or terminated, the landlord and tenant shall be deemed to have renewed it as a monthly tenancy agreement containing the same terms and conditions that are in the expired tenancy agreement and subject to any increases in rent charged in accordance with this Act.

5. The Landlord submitted that the parties freely contracted for this provision, and that is protective of both the rights of the Landlord and the Tenant. The Landlord submits the effect of this clause is to renew the lease at the end of the term for a 12 month period and constitutes a renewal contemplated by section 38(1) of the Act, rather than being a provision that is contrary to it. The Landlord further submits that there is no policy reason in this instance to restrict parties' freedom to contract in respect of this provision.
6. The Landlord presented cases of the LTB with their submissions for consideration on this issue. I have reviewed and considered these cases in reaching my decision. I note that these cases are not binding upon me, and that in any event I did not find them to be particularly helpful to the determinations required to be made in this instance.
7. Four of the five cases provided by the Landlord (*SWL-28752-19*, *SWL-30615-19*, *1912802 ONTARIO INC. v Milanovic*, 2024 ONLTB 1432, and *1912802 Ontario Inc. v Bindner*, 2023 ONLTB 61246) do not address section 38(1) of the Act. While these cases all reference similar automatic renewal provisions, it does not appear to me that the Members deciding these cases turned their minds in any considered fashion to whether or not those provisions were in fact contrary to section 38(1) of the Act. Therefore, I did not find these cases to be assistive in determining this issue.
8. The remaining case presented that does mention section 38(1) is *TSL-92810-18*. However, I also do not find this case to be assistive in determining this matter. As noted in paragraph 13 of the decision, this case was decided in respect of a periodic tenancy renewed on a year-to-year basis, and not a fixed term tenancy. Therefore section 38(1) had no applicability to the facts of *TSL-92810-18*.
9. I acknowledge the language in section 38(3) of the Act in respect of periodic tenancies is substantially similar to the language contained in section 38(1) in respect of fixed term tenancies, and that *TSL-92810-18* finds that in respect of section 38(3) that it is not problematic from a policy perspective not to have a renewing monthly term at the conclusion of a yearly periodic tenancy. However, I find there may be different policy considerations in respect of the interpretation of an automatic renewal provision to these two different types of tenancies. The automatic renewal of a fixed term tenancy where the parties at the outset contemplated a set period with an ending date, and the automatic

renewal of a periodic yearly tenancy where the explicitly contemplated expectation at the outset is that further lease terms will be on a yearly basis, may create fundamentally different policy considerations and expectations as to how the Act is reasonably applied. However, I need not make findings in relation to section 38(3) of the Act in order to determine this matter, and decline to do so. I take note of this only to explain why I did not find this case to be assistive in my determinations of this matter.

10. Section 3(1) of the Act states:

3 (1) This Act, except Part V.1, applies with respect to rental units in residential complexes, despite any other Act and despite any agreement or waiver to the contrary.

11. Section 38(1) of the Act specifically outlines what occurs at the end of the term of a fixed term tenancy – being a deemed renewal if the tenancy has not otherwise been renewed or terminated, and that this deemed renewal occurs as a monthly tenancy agreement. I find that not providing written notice to the Landlord to terminate the tenancy is insufficient to find that the tenancy has been otherwise renewed within the meaning contemplated by section 38(1) of the Act, despite the clause in the lease. I find instead that the clause in the lease is in effect seeking to change the result of the deemed renewal that occurs when the Tenant does not give notice to end the tenancy at the end of the fixed term.

12. I find in accordance with section 202(1) of the Act that the real substance of the clause in issue is an attempt by the Landlord to contract out of the Act and deprive the Tenant of their right to continue the tenancy on a monthly basis following the initial fixed term of the tenancy in accordance with section 38(1) of the Act. This provision is therefore contrary to section 38(1) of the Act.

13. Section 4(1) of the Act states that:

4(1) Subject to subsection 12.1 (11) and section 194, a provision in a tenancy agreement that is inconsistent with this Act or the regulations is void.

14. I find on the basis of the above that the clause contained in the additional terms to the tenancy agreement referred to in paragraph 2 above is void as contrary to the Act. Given this, I find that this tenancy was deemed to have renewed on a monthly basis when the fixed term expired on August 31, 2025 in accordance with section 38(1) of the Act.

15. As the Landlord was informed that the Tenant had vacated the rental unit on September 12, 2025, the earliest date the Tenant could have validly given a notice to terminate the tenancy as of that date was November 30, 2025. Therefore, in accordance with section 88(1) of the Act arrears of rent are owing to that date, subject to the Landlord's obligations to minimize their losses in accordance with section 16 of the Act.

16. The Landlord's Representative presented evidence as to their efforts to advertise the unit for rent, and that they have been unable to re-rent the rental unit to the date of the hearing. I am satisfied that the efforts made as presented were reasonable and the Landlord met their obligations in accordance with section 16 of the Act.

17. I find that the Tenant did not pay the total rent they were required to pay for the period from August 1, 2025 to November 30, 2025.

18. The lawful rent is \$1,150.00. It is due on the 1st day of each month.
19. The Tenant has not made any payments since the application was filed.
20. The rent arrears and daily compensation owing to November 30, 2025 are \$4,600.00.
21. The Landlord collected a rent deposit of \$1,150.00 from the Tenant and this deposit is still being held by the Landlord. The rent deposit is applied to the arrears of rent because the tenancy is terminated.
22. Interest on the rent deposit, in the amount of \$36.71 is owing to the Tenant for the period from August 22, 2024 to November 30, 2025.
23. The Landlord incurred costs of \$186.00 for filing the application and is entitled to reimbursement of those costs.

It is ordered that:

1. The Tenant shall pay to the Landlord \$3,599.29. This amount includes rent arrears owing up to November 30, 2025 and the cost of the application minus the rent deposit and interest owing.
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 19, 2026
Date Issued

Benjamin Seigel
Member, Landlord and Tenant Board

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