



**Order under Section 57
Residential Tenancies Act, 2006**

File Number: LTB-T-022828-26

In the matter of: 2076 CONSTANCE DR
OAKVILLE ON L6J2V7

Between: Jiangtong Zhang Tenant

And

Jinyuan Liu Landlord

Jiangtong Zhang (the 'Tenant') applied for an order determining that Jinyuan Liu (the 'Landlord') gave a notice of termination in bad faith.

This application was heard by videoconference on June 18, 2026.

The Landlord's agent, Yuqi Zhou, and Tenant attended the hearing.

Preliminary Issue: Amendment of the Application.

1. At the outset of the hearing, the Tenant requested to amend the application to add Jinyuan Liu as the respondent Landlord. The Tenant submitted that Jinyuan Liu is the owner of the rental unit and is also the Landlord named on the N12 notice. The Tenant submitted that the original respondent, Yuqi Zhou, is Jinyuan Liu's daughter-in-law and is not the Landlord.
2. Ms. Zhou also stated that she is not the Landlord and that the property owner is Jinyuan Liu. She stated that Jinyuan Liu is her father-in-law and was unable to attend the hearing because he was outside the country. Ms. Zhou attended the hearing on Jinyuan Liu's behalf as his agent.
3. Both parties consented to amending the application to add Jinyuan Liu as the respondent Landlord and to remove Yuqi Zhou as a respondent. Ms. Zhou remained at the hearing as the Landlord's Agent and witness.
4. After considering the parties' submissions and their consent, I amended the application to add Jinyuan Liu as the respondent Landlord and to remove Yuqi Zhou as a respondent.

Procedural Issue

5. The respondent Landlord did not personally attend the hearing. The Landlord's Agent stated that the respondent Landlord is her father-in-law and was outside the country on the hearing date. Although the respondent Landlord did not personally receive the Notice of Hearing from the Board, I am satisfied that he was aware of the hearing and had an opportunity to participate. The Landlord's Agent received the Notice of Hearing, attended the hearing, and did not raise any preliminary issue regarding service of the Notice of Hearing or the respondent Landlord's ability to participate. In these circumstances, I am satisfied that there is no procedural unfairness in proceeding with the hearing.

Determinations:

6. As explained below, the Tenant proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must pay the Tenant \$18,198.59.
7. Subsection 57(1)(a) of the *Residential Tenancies Act, 2006* (the 'Act') requires the Tenant to prove each of the following on a balance of probabilities:
 - The Landlord gave the Tenant an N12 notice of termination under section 48 of the Act;
 - The Tenant vacated the rental unit as a result of the N12 notice of termination;
 - No person referred to in subsection 48(1) of the Act occupied the rental unit within a reasonable time after the Tenant vacated; and
 - The Landlord served the N12 notice of termination in bad faith.
8. The rental unit is a bungalow with three bedrooms and two bathrooms. The monthly rent was \$3,587.50. The Tenant moved into the rental unit in April 2023 and lived there for approximately two years.
9. There is no dispute that the Landlord served the Tenant with an N12 notice of termination on February 20, 2025, in accordance with section 48 of the Act. The notice stated that vacant possession was required for the residential occupation of the Landlord's son, the son's wife, and their child. The termination date in the notice was May 4, 2025. The Tenant moved out of the rental unit on March 23, 2025, in response to the N12 notice.
10. The remaining issues to be determined are whether the notice was given in bad faith and whether the Landlord's son and his family occupied the rental unit within a reasonable time after the Tenant moved out.

Bad Faith:

11. The Tenant testified that the property was listed for sale in September 2025 and sold in May 2026. The Tenant also relied on communication from Ms. Zhou dated February 28, 2024, which she submitted showed that there had been discussion about selling the property before the N12 notice was served.
12. At the hearing, Ms. Zhou did not dispute that the rental unit was listed for sale in September 2025 and sold in May 2026.
13. The rental unit was listed for sale in September 2025, less than one year after the Tenant vacated. In these circumstances, the N12 notice is presumed to have been given in bad

faith pursuant to subsection 57(5) of the Act. The Landlord had the opportunity to rebut the presumption of bad faith. Once the presumption is triggered, the burden shifts to the Landlord to prove, on a balance of probabilities, that the N12 notice was given in good faith.

14. Based on the evidence before me, I find that the Landlord has not rebutted the presumption of bad faith.
15. Ms. Zhou testified that she and her family intended to move into the rental unit because of work, school, childcare, and financial pressures. She testified that the later decision to sell the rental unit was caused by unforeseen circumstances that arose after they moved into the rental unit. Specifically, she testified that they attempted to sell their own property after April 2025, but that sale was unsuccessful. She stated that, as a result, the family and her father-in-law could not afford to carry both properties at the same time, and they decided to sell the rental unit in September 2025.
16. Ms. Zhou testified that financial pressure existed in 2024, including reduced income during maternity leave and higher mortgage costs. She also testified that there had been discussions with the Tenant about selling the property before the N12 notice was served, although the property was not listed for sale in 2024. All the evidence shows that the decision to sell was connected to financial pressures that existed before the N12 notice was served.
17. In *Elkins v. Van Wissen*, 2023 ONCA 789, the Court of Appeal confirmed that the Board must consider all relevant evidence when determining whether an N12 notice was served in bad faith and should not restrict the analysis only to the landlord's stated intention at the time the notice was served.
18. I do not accept that the later sale was caused by a new or unforeseen event that arose only after the Tenant vacated. The evidence shows that the financial concerns and the family's housing pressures existed before the N12 notice was served. The fact that one property eventually had to be sold was not an unforeseen circumstance arising after the Tenant vacated. Rather, it was part of the same financial difficulty that existed before the N12 notice was served.
19. I also place weight on the fact that the Landlord did not attend the hearing to explain his own intention, financial circumstances, or decision to serve the N12 notice. Ms. Zhou testified that she and her husband were contributing money to the Landlord's bank account and that they were experiencing financial pressure. However, the property was owned by the Landlord. Without direct evidence from the Landlord, I have insufficient evidence about the Landlord's own intention when he served the N12 notice or about whether the Landlord genuinely intended that the rental unit would be occupied for the required residential purpose for at least one year.
20. The timeline supports a finding of bad faith. The N12 notice was served on February 20, 2025. The Tenant vacated on March 23, 2025. Ms. Zhou and her family moved into the rental unit in April 2025. They moved out in or around September 2025. The property was then listed for sale in September 2025 and later sold in May 2026. In my view, this sequence of events is more consistent with a plan to obtain vacant possession and later

sell the property than with a genuine intention to occupy the rental unit for residential purposes for at least one year.

21. Considering all of the relevant evidence, I find that the N12 notice was served in bad faith.

Did the Landlord's son occupy the rental unit within a reasonable time after the Tenant moved out?

22. Section 48(1) of the Act outlines the requirement that the person seeking possession must do so in good faith for residential occupation purposes, with the intention of occupying the unit for a period of at least one year.

23. The question to be determined is whether the Landlords' son's approximately six-month (from April to September 2025) stay qualifies as residential occupation within the meaning of section 48(1) of the Act.

24. The issue of defining "residential occupancy" was dealt with by the Divisional Court in *MacDonald v. Richard, 2008 Carswell Ont 638 ("MacDonald")*. In that case, the Court stated that temporary full-time occupancy (which in that case was to be for four months) does not constitute residential occupation as contemplated in subsection 48(1) of the Act. *MacDonald* is binding on me. I am not aware of any other relevant binding authorities.

25. I find that *MacDonald* applies in this case. On the Landlord's own evidence, the Landlord's son and his family occupied the rental unit from April to September 2025 and then vacated. That limited use was temporary and inconsistent with a genuine intention to occupy the rental unit as a residence for at least one year. On a balance of probabilities, I find that no person described in subsection 48(1) of the Act occupied the rental unit within a reasonable time after the Tenant vacated in the manner required by section 48.

26. Accordingly, I find that all of the elements of the legal test in section 57 of the Act have been satisfied.

Remedies

27. The Tenant requests the following remedies:

- Rent differential, totaling \$150.00;
- Moving expenses, totalling \$1923.09;
- General compensation, totalling \$43,050.00

28. The Landlord must pay a fine to the LTB.

Rent Differential

29. The Tenant testified that he moved to another rental unit close to the former rental unit. The new rental unit is also a bungalow with three bedrooms and two bathrooms, but the Tenant testified that it is smaller. The new rent is \$3,600.00 per month. The rent at the former rental unit was \$3,587.50 per month.

30. Based on the Tenant's testimony and the lease submitted at the hearing, I find that the units are comparable. I further find that the Tenant is entitled to the rent differential for a 12 month period, calculated as follows: $\$3,600.00 - \$3,587.50 = \$12.50$ per month; $\$12.50 \times 12 \text{ months} = \150.00

31. The Landlord shall pay the Tenant \$150.00 for the rent differential.

Moving expense:

32. The Tenant seeks \$1,680.00 for the cost of purchasing new furniture. The Tenant testified that the former rental unit was fully furnished, while the new rental unit was not furnished. The Tenant stated that he had to purchase items for the new rental unit, including a bed frame, microwave, table, and chairs.

33. I deny this claim. The Tenant chose to move into an unfurnished unit. I am not satisfied that the cost of furnishing the new rental unit is sufficiently connected to the Landlord's conduct or that it is a reasonable moving, storage, or similar expense within the meaning of the Act.

34. The Tenant also seeks \$63.09 for the cost of setting up a new utility account. The Tenant testified that he incurred this expense because he had to open a new utility account after moving into the new rental unit. Based on the evidence before me, I find that this expense is reasonable and was incurred as a result of the move.

35. The Landlord shall pay the Tenant \$63.09 for the utility setup expense.

General Compensation:

36. The Board's authority to order general compensation is found at section 57(3)(1.1), which states:

- *An order that the Landlords pay a specified sum to the former tenant as general compensation in an amount not exceeding the equivalent of 12 months of the last rent charged to the former tenant. An order under this paragraph may be made regardless of whether the former tenant has incurred any actual expenses or whether an order is made under paragraph 2 [Emphasis added]*

37. The Tenant occupied the rental unit for approximately two years. He testified that he intended to remain in the rental unit on a long-term basis, until his son graduated from high school. The Tenant testified that he did not want to move and that the move caused him emotional distress. The Tenant also testified that he was disappointed because he believed he had maintained a good relationship with the Landlord and had trusted the Landlord. He stated that the move caused financial and emotional stress and required her to search for and relocate to another rental unit.

38. Based on the Tenant's evidence, I accept that the move caused financial inconvenience and emotional stress. I also accept that the Landlord's conduct disrupted the Tenant's ability to remain in the rental unit as planned. Having regard to all of the circumstances, including the length of the tenancy, the forced move, the finding of bad faith, the Tenant's

intention to remain in the rental unit, and the impact of the move, I find that general compensation equal to five months' rent is appreciated. The last monthly rent charged was \$3,587.50. The amount of general compensation is calculated as follows: \$3,587.50 × 5 months = \$17,937.50.

Administrative Fine

39. The Board's Interpretation Guideline 16: Administrative Fines, states that the purpose of a fine is to encourage compliance with the Act and to deter landlords from engaging in similar activities in the future. It goes on to say, "this remedy is most appropriate in cases where the landlord has shown a blatant disregard for the Act and other remedies will not provide adequate deterrence and compliance."
40. I find that the actions of the Landlord in this case do demonstrate a blatant disregard for the Act. However, I find that the remedies already awarded should provide adequate deterrence from engaging in similar acts. As such, no fine shall be ordered.
41. This order contains all of the reasons intended to be given, no further reasons shall issue.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$18,198.59. This amount represents:
 - \$150.00 for increased rent the Tenant has for the one-year period from March 20, 2025 to February 20, 2026.
 - \$63.09 for the reasonable moving, storage and other like expenses that the Tenant has incurred as a result of having to move out of the rental unit.
 - \$17,937.50 for general compensation.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenant the full amount owing by July 30, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by July 30, 2026, the Landlord will owe interest. This will be simple interest calculated from July 31, 2026 at 4.00% annually on the balance outstanding.
4. The Tenant has the right, at any time, to collect the full amount owing or any balance outstanding under this order.

June 25, 2026
Date Issued

Joy Xiao
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.