



Order under Section 57 Residential Tenancies Act, 2006

File Number: LTB-T-106589-25

In the matter of: 18 ORIOLE CRES
WOODSTOCK ON N4T1T1

Between: Daniel Abrahamson
Kayla James
Tenants

And

Matthew Cowan
Janine Morrison
Landlords

Daniel Abrahamson and Kayla James (the 'Tenants') applied for an order determining that Matthew Cowan and Janine Morrison (the 'Landlords') gave a notice of termination in bad faith.

This application was heard by videoconference on June 15, 2026.

The Landlords and the Tenants attended the hearing. The Landlords were represented by Michelle Mont, a licensed paralegal. Janine Morrison gave evidence on behalf of the Landlords. The Tenants were represented by Glenn Gosling, a licensed paralegal. Daniel Abrahamson gave evidence on behalf of the Tenants.

At the outset of the hearing, and on consent of the parties, the address of the rental unit was corrected to read "18" and not "8" Oriole Crescent.

Determinations:

1. As explained below, the Tenants proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlords must pay the Tenants their moving expenses and an amount for general compensation.
2. 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.

3. It's undisputed the Landlords advertised the unit for sale during the one-year period during which the Landlord's mother, Ann Morrison, occupied the residential unit. Therefore the requirements in subsection 57(5)(c) were triggered meaning the Landlord bears the burden of proving that the N12 Notice was not served in bad faith.
4. The parties agreed to a number of facts prior to the commencement of the hearing.

AGREED FACTS

5. The N12 Notice given to the Tenants by the Landlords under section 48 of the Act provided a termination date of November 30, 2024. The Tenants did not vacate the unit pursuant to the Notice and a hearing of the Landlord's application to terminate the tenancy (LTB-L-080687-24) was scheduled for February 27, 2025. The matter was resolved by consent eviction order dated March 6, 2025. The Tenants moved out of the rental unit as a result of the N12 Notice and the resulting eviction order on February 28, 2025.
6. Mrs. Morrison Sr. moved into the rental unit on April 4, 2025.
7. The parties agree that the rental property was listed for sale on MLS as of June 2025. An Agreement of Purchase and Sale for the property was executed on April 30, 2026 and the date for closing of the sale is June 22, 2026. The MLS history is agreed to by the parties and is set out in DOC 8120085 at page 29.

OTHER EVIDENCE

8. There is no dispute that this property had been listed for sale prior to the current sale and prior to the N12 which resulted in the Tenants vacating the property. It is also not in dispute that the previous potential sale did not close. The Landlords' position is that it failed to close because the purchasers were concerned that the Landlords were not able to give vacant possession.
9. It is also not in dispute that Mrs. Morrison did not immediately occupy the property after the Tenants vacated on February 28, 2025. Receipts for new flooring and a bathroom faucet were provided. I do not need to refer to this evidence in any detail because I do not find that the period of time between the Tenants vacating and Mrs. Morrison moving into the rental unit to be out of the ordinary and it does not factor in my decision.
10. There is a dispute between the parties as to whether the property was listed on Facebook prior to Mrs. Morrison moving in. The Tenants provided a picture from Facebook at page 22 of their book of documents (DOC 8109104) which purports to show the property for sale. The Tenants maintain that the property was listed for sale on Facebook outside the dates on which the Landlords say it was listed and beyond what was agreed to as a listing date in paragraph 7. They say that this is evidence that the property was always only going to be sold and that in effect Mrs. Morrison was only a place holder occupant until the property could be sold.

BAD FAITH

11. The undisputed evidence establishes that the Tenants vacated as a result of the N12 Notice served by the Landlord. Therefore, the only remaining element of the test in subsection 57(1)(a) which needs to be addressed is whether it was served in bad faith.
12. My decision regarding the question of bad faith and the Landlords' intention in delivering the N12 were delivered at the hearing following which we proceeded to consider the monetary remedies claimed by the Tenants. My decision on bad faith is set out below.
13. In my view, it is immaterial as to whether the property was listed for sale on Facebook as it Tenants allege it was. The fact that the property was listed for sale at all in the one-year period during which the Landlords' mother occupied the property is sufficient to result in the rebuttable presumption that the N12 Notice was served in bad faith in accordance with section 57(5)(c) of the Act.
14. The Landlords did not dispute the MLS listing nor do they dispute their intention to sell the property during the one year period following the date the Tenants vacated. The Landlords provided no evidence establishing that after the Tenants vacated some unexpected event arose that required the Landlord to sell the unit less than a year after the Tenants vacated. The Landlord gave evidence about a medical condition that required her to alter her working hours from a full-time self-employed esthetician to a part-time one, reducing her pay from somewhere around \$8000.00 per month to somewhere closer to \$5000.00. The Landlord was not prepared with evidence to substantiate these numbers and was guessing at her pre and post illness earnings. Irrespective of the change in her earnings, I do not find that this change in circumstances affected the Landlords' decision to sell the rental unit. Clearly, the evidence shows that the plan all along was to sell the unit as evidenced by the previous unsuccessful sale. As a result, I find that they have not rebutted the statutory presumption that they served the N12 Notice in bad faith.

Remedies

15. The Tenants have claimed a rent abatement because of stress and substantial interference with reasonable enjoyment of the rental unit during the period May 2024 to February 2025. Counsel for the Landlord argued that as this application was filed in December 2025 complaints originating prior to December 2024 could not be considered by the LTB. Counsel for the Tenants conceded that this is the case and so no claim originating prior to December 17, 2024 will be considered in my calculation of damages.
16. The Tenants admit that there were no real estate showings between December 17, 2024 and when they vacated the unit in February 2025 and therefore there concerns about the showings do not properly form part of their claim for damages.
17. The Tenants complained that the Landlords posted notices of intention to enter the property on the front door of the home and that this caused them anxiety and distress because they were concerned about how their neighbours would view them.
18. I find that the evidence of stress and substantial interference arising from the notices to be exaggerated and not warranting of an award to damages.

19. The Tenants were required to pay \$1395.55 in moving expenses to move to the new home that they purchased “around the corner.” The Landlords’ representative did not dispute that this was a valid charge, and I find that the Tenants should be reimbursed for this.
20. The Tenants also seek an order for the rent differential in the amount of \$6540.00. This claim is made pursuant to paragraph 57(3) 1 of the Act which provides that the LTB can award:
 1. An order that the landlord pay a specified sum to the former tenant for all or any portion of any increased rent that the former tenant has incurred or will incur for a one-year period after vacating the rental unit.
21. On the question of Rental Differential, the Tenants’ application carefully phrased this as a “Higher Rate.” After lengthy questioning by me, the Tenant testified that in fact because of being forced out of the rental unit they decided to purchase their own home. The purchase was assisted by family and the Tenants testified that the decision to purchase was made much earlier than they wanted to and was at the height of the market following the inflation of prices following COVID and prior to the current market correction. In other words, the Tenants say they purchased at the height of the market. They are currently paying \$2800.00 in a combined mortgage and property tax payment versus the \$2255.00 in rent that they were paying. Further, of this mortgage payment \$5667.00 is being paid to principal. So, in effect, the difference in monthly outlay rent vs. mortgage payment is being paid in equity on the home to the benefit of the Tenants; accordingly, there will be no order of compensation for rent differential.
22. The Tenants have also claimed \$27,060.00 in general compensation under paragraph 57(3)1.1 of the Act. It was no doubt stressful for the Tenants to move from a home that they enjoyed during a period where they were expecting the birth of their second child. The Landlords were engaged in a series of property renovations and flips during this time which clearly included the sale of this rental property. Their finances seemed to be in disarray but that is not the responsibility of the Tenants and the stress resulting from the bad faith eviction is something for which the Tenants should be compensated. I have exercised my discretion to award the Tenants \$5000.00 in General Compensation for the Landlords’ unlawful conduct in delivering an N12 Notice in bad faith.
23. In so far as the Tenants’ much more substantial claim for damages, while I do find that they suffered stress resulting from this situation, I find their claims to be exaggerated and that they do not warrant what I consider to be the excessive amount claimed in the application.

It is ordered that:

1. The total amount the Landlords shall pay the Tenants is \$6,443.55. This amount represents:
 - \$1395.55 for the reasonable moving, storage and other like expenses that the Tenant as a result of having to move out of the rental unit.

- \$5000.00 for general compensation.
 - \$48.00 for the cost of filing the application.
2. The Landlords shall pay the Tenants the full amount owing by July 7, 2026.
 3. If the Landlords do not pay the Tenants the full amount owing by July 7, 2026, the Landlord will owe interest. This will be simple interest calculated from July 8, 2026 at 4.00% annually on the balance outstanding.

June 26, 2026
Date Issued

Christina Budweth
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.