



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

File Number: LTB-L-009514-26

In the matter of: 340 Marland, Oshawa, Ontario, L1J 1X6

Between: Valiant Rental Properties Limited Landlord

And

Refer to attached Schedule 2 Tenants

Valiant Rental Properties Limited (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 following Tenants: Sierra Adamson – Unit 104, Cherie Houston – Unit 106U, Ann Stewart, Unit 115, Kathren Senior – Unit 202, Tapan Roy – Unit 203, Amanda Nowak – Unit 208, Brett Bobyk – Unit 209, Britney Price-Kucher – Unit 209, Edith Staples – Unit 212, Syed Ali Safeer – Unit 213, Nastarun Sediqqi – Unit 301, David Carlton Unit 308, Patricia LeCoure - Unit 309, Wayne Ouellette – Unit 310, Jack Hanf – Unit 312, Shelley Collins – Unit 402, Susan Broadley – Unit 404, Carol Green – Unit 409, Patricia Tynan – Unit 411, Robert Dawson – Unit 501, Dustin Lessak – Unit 504, and Mireille Francios – Unit 515.

Preliminary Matters

Non-Parties and Illegible Signatures

1. The Board received a number of submissions signed by individuals who are not a party to the application. As such, they have no standing to make submissions on the application.
2. The Board received a number of submissions signed by individuals for which the signature was illegible and no unit number was noted. These submissions were not considered.
3. Notwithstanding the above, the same submissions were made by some of the affected Tenants and those submissions were considered.

Amendments to the Application

4. The Certificate of Service filed by the Landlord on March 20, 2026, indicates that some rental units listed in the application were not served with the application and notice of hearing.
5. I have accepted the Landlord's request to amend the application by removing those rental units which was filed with the Board on February 26, 2026.
6. The application is therefore amended 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: 101, 105, 113, 205, 215, 302, 303, 304, 403, 406, 407, 408, 410, 412, 413, 415, 502, 503, 504U, 505, 506, 507, 508 and 513U

It is determined that:

7. 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 under the *Residential Tenancies Act, 2006*).
8. The maximum rent increase above the guideline because of an extraordinary increase in the cost for municipal taxes and charges is 0.61%. This increase is to be taken in the first year.
9. The first effective date of the rent increase above the guideline is May 1, 2026.

The Calculated Increase

10. In dispute between the parties is correct interpretation of sections 21, 29, and 31 of O. Reg. 516/06 which address how to calculate the per unit above guideline rent increase once it has been established that there is an "extraordinary" increase in the municipal taxes and charges.
11. The Tenants residing in Units 208 and 504 submit that the Landlord's proposed increase of 8.99% or 8.89% does not reasonably correspond with the actual increase in property tax costs. They submit that when the increase is distributed across the 64 residential units in the building, the additional cost amounts to approximately \$16.00 per unit, per month. They argue that even if tenants were expected to absorb the full extent of the property tax increase, a fair and proportionate adjustment would reflect only this incremental cost, rather than the substantially higher percentage currently being proposed.

12. In reply, the Landlord submits that the correct interpretation of O. Reg. 516/06, which would support their calculated above guideline increase of 6.89%, is that an above guideline rent increase due to an extraordinary increase in municipal taxes and charges should be calculated based on the monthly rent roll and not the annual rent roll.
13. In support of their argument, the Landlord submits that the well-established principles of statutory interpretation apply to regulations, not just statutes: *2275518 Ontario Inc. v. The Toronto-Dominion Bank*, 2024 ONCA 343 (C.A.) at para. 36. They submit that the first principle of statutory interpretation that applies in this instance is “expression unius” or “implied exclusion”. They summarize the principal as follows:
- “[...] where the Legislature chooses to include some terms but exclude others, it is deemed to have deliberately excluded the terms that were not included: *Nolet v. Fischer*, 2020 ONCA 155 (C.A.) at para. 22.”
14. They submit that, secondly, it is a basic principle of statutory interpretation that the same terms used throughout a statute (or, in this case, a regulation) should be given the same meaning: *Donovan v. Human Rights Tribunal of Ontario*, 2023 ONSC 6746 (Div. Ct.) at para. 47.
15. The Landlord makes the comparison of the O. Reg. 516/06 sections (i.e., Comparison of s. 26 and s. 45 with s. 21, 29, and 31) as follows:

“11. Section 26 of O. Reg. 516/06 deals with above-guideline rent increases arising from capital expenditures. It requires the Board to calculate the amount of the capital expenditure (subsection 26(5)), and then multiply that amount “by the rent for the unit, and divide that result by the sum of the rents for all rental units in the residential complex that are affected by the capital expenditure” [emphasis added].

12. Sections 29 and 31 of O. Reg. 516/06 deal with above-guideline rent increases arising from extraordinary increases in property taxes. Section 29 requires the Board to follow specified steps, the last of which (step 6) is to multiply an amount determined by steps 1-5 by “the factor determined under section 21” (subsection 29(2)). In turn, section 21 provides that the aforementioned factor “is determined by dividing the total rents of the rental units in the residential complex that are subject to the application and are affected by the operating costs by the total rents of the rental units that are affected by the operating cost”. Section 31 requires the Board to divide the amount of the allowance calculated under section 29 “by the total rents for the rental units that are subject to the application and are affected by the operating cost”, and then “[d]etermine the percentage that each allowance...represents of the total rents for the rental units that are subject to the application and are affected by the operating cost” [emphases added].

13. These sections can be contrasted with other sections of the Regulation. For example, section 45, which deals with a decrease in rent due to a decrease in municipal taxes for the residential complex, requires the Board to calculate an allowance and then divide same by “the total of the annual rents for the rental units in the residential complex” (subsection 45(4)) [emphasis added].”

16. The Landlord submits that utilising the above noted principles of statutory interpretation, a comparison of O. Reg. 516/06 sections, s. 26 and s. 45 with s. 21, 29, and 31, supports the following conclusions:

- i. That the Legislature must have taken to deliberately exclude the word “annual” with respect to total rents in those sections – using the principle of implied exclusion.
- ii. That the phrases “the sum of the rents” in section 26 and “the total rents” in section 31 should be interpreted in the same manner as they are “synonymous with on another.” They submit “it is well established that above guideline increases for capital expenditures are calculated based on the monthly rent roll” – using the principle of the same terms being given the same meaning.

17. However, the modern principle of statutory interpretation provides that the words of a statute must be read in their *entire context within the scheme of the Act* [emphasis added], articulated as follows:

“Today there is only one principle or approach, namely, the words of an Act are to be read in their entire context and in their grammatical and ordinary sense harmoniously with the scheme of the Act, the object of the Act, and the intention of Parliament”: *Rizzo & Rizzo Shoes Ltd. (Re)*, 1998 CanLII 837 (SCC), [1998] 1 S.C.R. 27, at para. 21, and *Bell ExpressVu Limited Partnership v. Rex*, 2002 SCC 42, [2002] 2 S.C.R. 559, at para. 26, both quoting E. Driedger, *Construction of Statutes* (2nd ed. 1983), at p. 87.

18. I find that the Landlord’s argument fails to consider the scheme of the Act and the context of above guideline increases permitted under the Act. In other words, the Landlord fails to consider that an above guideline increase, whether it be for an extraordinary increase in municipal taxes and charges or capital expenditures, is not taken on a monthly basis, but on an annual basis. This is reflected in s. 119 of the Act which provides that a landlord may seek to increase rent, only when proper notice has been given, once *in a 12-month period*. Subsection 32(1) of O. Reg. 516/06 likewise provides, with noted exceptions, that if an above guideline rent increase is granted by the Board, that rent increase may only be taken within

12 months of the first intended rent increase referred to in the application for a rental unit in the residential complex.

19. In my view, when performed correctly, there are two steps to the calculation. Briefly, the first step under s. 29 of O.Reg. 516/06 determines *the added expense per affected unit* *[emphasis added]* as a result of the extraordinary increase in cost of municipal taxes and charges – this is why the calculation at this first step involves using the total monthly rent figures for units affected by the application and those units affected by the cost. In this instance, all units are affected by the application and cost.
20. The added expense per unit is described under s. 29 of O.Reg. 516/06 as a calculation of “the amount of the allowance”. Only after the added expense per affected unit is determined, can you then move onto the second step of the calculation under s. 31 of O. Reg. 516/06 which determines what percentage increase that *added expense per unit affected by the application* is, spreading it over a year to be taken in a single annual above guideline rent increase.
21. Adopting the Landlord’s argument and narrow approach to statutory interpretation in this instance would result in spreading the allocated per unit cost of the extraordinary increase in municipal taxes and charges between Reference Year and Base Year across a single month to determine an annual above guideline increase percentage, unjustly enriching the Landlord.
22. Therefore, in this order the above guideline percentage increase is calculated as follows:

Step 1 - Determine the Amount of the Allowance Per Section 29 of O. Reg. 516/06:

The Board’s longstanding approach to the calculations was described by Vice Chair Fellman in TEL-28799 (Re), 2012 CanLII 101983 (ON LTB) as follows:

“Only that portion of the increase in the cost for municipal taxes and charges that is greater than the guideline amount is considered to be extraordinary for the purposes of calculating the justified rent increase. The formula used to calculate the allowance for municipal taxes and charges is: $BY \text{ costs} - [RY \text{ costs} + (RY \text{ costs} \times (\text{guideline plus } 50\%))]$.”

Using the formula noted above, the allowance in this case is \$6,609.05.

Step 2: Calculate the Annual Above Guideline Increase Percentage Per Section 31, O. Reg. 516/06:

Likewise, Vice Chair Fellman in TEL-28799 (Re), 2012 CanLII 101983 (ON LTB), described this second step under s. 31, O. Reg. 516/06 to determine the above guideline increase as follows:

“After calculating the allowance for the extraordinary increase in the cost for municipal taxes and charges, the justified rent increase for each affected unit must be determined by apportioning the allowances to the units, in accordance with section 31 of O. Reg. 516/06. The formula used to apportion the increase is: allowance for cost increase ÷ the total annual rent for all affected units (see Schedule 1, Part D, column 3 of the application) x 100.”

23. Therefore, following the LTB’s usual interpretation of sections 21, 29, and 31 of O.Reg. 516/06 as it was explained in in TEL-28799, the Landlord in this case justified an above guideline increase of 0.61% due to an extraordinary increase in the municipal taxes and charges.

Financial Hardship

24. The Tenants residing in Units 104, 106U 202, 203, 209, 212, 213, 301, 308, 309, 310, 312, 402, 404, 409, 501, 504, and 515 submit that the Board should consider financial hardship to Tenants caused as a result of any increase granted including that a significant portion of residence in the complex live on low or fixed incomes, some are on social assistance, the rising costs of living, budgets are already stretched to the limit, that it threatens housing security of long term tenants, that it will force some residents to choose between paying rent and meeting basic life necessities, the current market conditions creating difficulty in finding alternative, affordable housing, and absorbing an unaffordable cost, the state of the rental market and impacts on affordability, .
25. In respect to the Tenant’s submission of financial hardship, the Act does not provide the Board with the authority to consider the financial impact on the tenants of an above guideline increase when determining whether a landlord’s above guideline increase application should be granted or denied.

It is ordered that:

1. The Landlord may increase the rents charged by 0.61% for the units set out in Schedule 1.

2. The percentage increase set out in paragraph 1 is to be taken within the time period of May 1, 2026, to April 30, 2027.
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 60 days of the date of this order.

June 29, 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%.

Schedule 1 - Units affected by this Order:

340 Marland, Oshawa, Ontario, L1J 1X6

00103	00201	00207	00212	00307	00312	00404	00509
00104	00202	00208	00213	00308	00313	00405	00510
00106U	00203	00209	00301	00309	00315	00409	00511
00111	00204U	00210	00305	00310	00401	00411	00512
00115	00206	00211	00306	00311	00402	00501	00515

Schedule 2 - Tenants who are Affected by this Order:

Adamson, Sierra	Goor, Corry	Noel, Callista
Ali Safeer, Syed	Green, Carol	Nowak, Amanda
Barbara, Frank Joseph	Hanf, Ethel	Ouellette, Wayne
Barbara, Joseph	Hanf, Jack	Paulin, Doug
Bobyk, Brett	Hooper, Nancy	Price-Kucher, Britney
Broadley, Susan	Houston, Cherie	Roy, Tapan
Carlton, David	Hynes, Emma	Sediqqi, Nastarun
Carlton, Marianna	Kelly, Craig	Senior, Kathren
Collins, Shelly	Labrecque, Andre	Somerville, Cory
Davey, Peter	Labrecque, Linda	Staples, Edith
Dawson, Rob	LeCoure, Patricia	Steepe, Timothy
Dementjev, Jerry	Locke, Tim	Stewart, Ann
Enebeli, Chinedozie	MacMillian, David	Tynan, Patricia
Francois, Georgette	Martel, Dean	Vivira, Ana
Francois, Mireille	May, Shelly	
Gingereski, Brandon	McKay, Patti	