

Order under Section 69 Residential Tenancies Act, 2006

Citation: Greffier Enterprises Inc v Gajewski, 2023 ONLTB 75718 Date: 2023-11-23 File Number: LTB-L-050467-23

In the matter of: 1092 BEACHCOMBER RD MISSISSAUGA ON L5G0B1

Between: Greffier Enterprises Inc

And

Jonathan Gajewski Justin Gajewski Bogdan Gajewski Landlord

Tenants

Greffier Enterprises Inc (the 'Landlord') applied for an order to terminate the tenancy and evict Jonathan Gajewski, Justin Gajewski and Bogdan Gajewski (the 'Tenants') because the Tenants did not pay the rent that the Tenants owe.

This application was heard by videoconference on November 7, 2023.

The Landlord's Legal Representative, Jordan Nieuwhof, and the Tenants Jonathan Gajewski and Justin Gajewski attended the hearing.

Determinations:

- 1. The Landlord served the Tenants with a valid Notice to End Tenancy Early for Nonpayment of Rent (N4 Notice). The Tenants did not void the notice by paying the amount of rent arrears owing by the termination date in the N4 Notice or before the date the application was filed.
- 2. As of the hearing date, the Tenants were still in possession of the rental unit.
- 3. The lawful rent is \$3,142.65. It is due on the 1st day of each month.
- 4. Based on the Monthly rent, the daily rent/compensation is \$103.32. This amount is calculated as follows: \$3,142.65 x 12, divided by 365 days.
- 5. The Tenants have not made any payments since the application was filed.
- 6. The rent arrears owing to November 30, 2023 are \$25,925.85.
- 7. The Landlord incurred costs of \$186.00 for filing the application and is entitled to reimbursement of those costs.
- 8. There is no last month's rent deposit.

Relief from Eviction

- 9. The Tenants requested that the Board exercise its discretion by allowing the Tenants to remain in possession of the unit. The Tenants in this case are brothers who are in the same business industry of film media. The Tenants submitted that their father had a heart attack in December 2022 and then their father was diagnosed with cancer. The brothers took time off work to assist with their father's care. Then from March 2023 to October 2023 the film industry went on strike. During this time the Tenants had no income and were depleting their savings to live. Despite the Tenants' lack of income previously, the Tenants submitted that they are back to work and both could earn approximately \$120,000.00 a year. The Tenants submit that they could pay the rent on time going forward and \$2,000.00 towards the arrears every month. The Tenants asked the Board to order a repayment plan for the arrears at a rate of \$2,000.00 per month. The Tenants were not opposed to pay a higher monthly amount towards the arrears but did not give an amount.
- 10. The Landlord's position was that the arrears were significant, that the Tenants had made no efforts to resolve the issue and that relief from eviction would be delaying the inevitable termination of the tenancy. I understood the Landlord to be saying that rental unit was no longer affordable to the Tenants and that the tenancy should be terminated in the circumstances. The Landlord submitted that they attempted negotiations with the Tenants previously. Specifically, communication was sent to the Tenants in June 2023 and in October 2023. Both times the Tenants did not communicate their desire to enter into a repayment plan. The Landlord submits that the last repayment plan proposal was in October 2023 for \$2,000.00 a month towards the rent arrears.
- 11. In my view, it would not be unfair to provide conditional relief from eviction in the form of a repayment plan if there is realistic repayment plan that is not unduly prejudicial to the Landlord. Such a plan would require the Tenants to make payments that would stop the arrears from escalating and restore the tenancy to good standing within a reasonable period of time. Such a plan would also provide the Landlord with recourse if the Tenants cannot abide by the terms of repayment.
- 12. In the present case, I agree with the Landlord that more could have been done by the Tenants to address the escalating arrears, but I also accept the Tenants' uncontested evidence that the strike interfered with their ability to do so. The Tenants' circumstances have changed and they are now available to pay the rent and reduce the arrears. According to the Tenants, there is also the possibility that the Tenants may be able to increase the payments towards the arrears but they do not want to over commit. If they can make additional payments they will.
- 13. In my view, the Tenants' proposal to pay the rent on time going forward and to reduce the arrears should be not rejected as unrealistic. The household should have significant income to pay their monthly expenses after paying the rent. Given this buffer, it is not unreasonable to conclude that the household has sufficient income to reduce the arrears with an additional payment every month.
- 14. However, it is appropriate in this case to increase the Tenant's monthly payment towards the arrears given the household's level of income. I therefore find that it would not be unfair

to grant relief from eviction subject to the condition(s) set out in this order pursuant to subsection 83(1)(a) and 204(1) of the Act.

It is ordered that:

- 1. The Tenants shall pay to the Landlord \$26,111.85 for arrears of rent up to November 30, 2023, and costs.
- 2. The Tenants shall pay to the Landlord the amount set out in paragraph 1 in accordance with the following schedule:
 - \$2,176.00 on or before the 1st day of each month for the 11-month period December 1, 2023 to October 1, 2024.
 - \$2,175.85 on or before November 1, 2024.
- 3. The Tenants shall also pay to the Landlord new rent on time and in full as it comes due and owing on the first day of each month for the period December 1, 2023, to November 1, 2024, or until the arrears are paid in full, whichever date is earliest.
- 4. If the Tenants fail to make any one of the payments in accordance with this order, the outstanding balance of any arrears of rent and costs to be paid by the Tenants to the Landlord pursuant to paragraph 1 of this order shall become immediately due and owing and the Landlord may, without notice to the Tenants, apply to the LTB within 30 days of the Tenants' breach pursuant to section 78 of the Act for an order terminating the tenancy and evicting the Tenants and requiring that the Tenants pay any new arrears, NSF fees and related charges that became owing after November 30, 2023.

November 23, 2023 Date Issued

Teresa Hunt 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.