Order under Section 69 Residential Tenancies Act, 2006

Citation: Shihadeh v Ibrahim, 2023 ONLTB 59268

Date: 2023-09-01

File Number: LTB-L-025409-23

In the matter of: 3140 BLACKFRIAR COMMON

OAKVILLE ON L6H0P8

Between: Jamal Shihadeh and Nisreen Elayyan Landlords

And

Fadi Ibrahim and Julian Ibrahim Tenants

Jamal Shihadeh and Nisreen Elayyan (the 'Landlords') applied for an order to terminate the tenancy and evict Fadi Ibrahim and Julian Ibrahim (the 'Tenants') because the Tenants did not pay the rent that the Tenants owes.

This application was heard by videoconference on August 3, 2023.

The Landlords legal representative Heidi Melville and both Tenants attended the hearing.

Determinations:

- 1. The Landlords served the Tenants with a valid Notice to End Tenancy Early for Non-payment 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. The Tenants were in possession of the rental unit on the date the application was filed.
- 3. The Tenants vacated the rental unit on June 30, 2023. Rent arrears are calculated up to the date the Tenants vacated the unit.
- 4. The lawful rent is \$2,562.50. It was due on the 1st day of each month.
- 5. The Tenants has paid \$1,687.50 to the Landlords since the application was filed.
- 6. The rent arrears owing to June 30, 2023 are \$8,000.00.
- 7. The Landlords incurred costs of \$186.00 for filing the application and are entitled to reimbursement of those costs.
- 8. There is no last month's rent deposit.

N11 notice signed by the parties

9. It is undisputed that the Tenants vacated June 30, 2023

10. An N11 notice - Agreement to End the Tenancy ('N11 notice') was signed by the parties on February 22, 2023. A written agreement dated February 21, 2023 ('written agreement') was included with the N11 notice which notes the following terms:

"As mutually agreed your tenancy at 3140 Blackfriar Common will terminate no later than June 30, 2023.

"Mr. Shihadeh has agreed to compensate, Mr. and Mrs. Ibrahim a total of \$7500.00 (SEVEN THOUSAND FIVE HUNDRED DOLLARS).

\$2500.00 was already provided on July 12, 2022 via RBC Bank Draft and the remaining **\$5000.00 (FIVE THOUSAND DOLLARS)** will be provided upon inspection and key handover by June 30, 2023."

- 11. The Tenants' position is that they vacated the rental unit by June 30, 2023 as stipulated in the N11 notice and pursuant to the terms of the written agreement. The Tenants state the Landlords owe the Tenants \$5,000.00 as per the written agreement and because this was not paid by the Landlords, the \$5,00.00 should be deducted from the total rent arrears of \$8,000.00. The Tenants state that they made partial payments of \$562.50 towards the monthly rent on the first day of every month for the months of March 2023 June 2023 inclusive.
- 12. The Tenants produced an email dated March 1, 2023 which was sent to the Landlord's legal representative advising that the Tenants could not pay the monthly rent in full. This is because they have secured a place to move to in Calgary, AB and paid the first and last month's rent deposit for their new tenancy so they can vacate the rental unit by June 30, 2023. The email further notes that the Tenants will be making partial payments towards the rent until the arrears are paid off. The Tenant Fadi Ibrahim stated that he has taken a reduction in pay for the job he is working at in Calgary and that Ms. Ibrahim is not currently employed. He stated they have three children ages 8, 13, and 17.
- 13. The Landlords do not dispute there is a signed N11 notice and the written agreement provided with the N11 notice.
- 14. The Landlords state that the written agreement was cancelled by the Landlords by letter dated March 6, 2023 (the 'letter') which was sent to the Tenants. A copy of this letter was produced for the hearing. The Tenants do not dispute receiving this letter.
- 15. The letter notes that the agreement to provide further compensation for vacating the residential complex on or before June 30, 2023 is no longer valid. The letter further notes that the Landlords offered in good faith a further \$5,000.00 to be paid upon house inspection and returning the keys and was based upon the Tenants continuing to pay \$2,562.50 per month for the monthly rent until June 1, 2023.
- 16. The Landlords state the L3 application LTB-L-017312-23 was withdrawn as confirmed by an email from the Board dated March 7, 2023, noting the file is closed. The Landlord served an N4 notice on the Tenants by courier on March 9, 2023 as confirmed by the

Certificate of Service. The termination date in the N4 notice is March 23, 2023. The Tenants do not dispute receiving the N4 notice.

17. The Landlord's request that the Tenants provide the Landlords with their current address in Calgary. The Tenants agreed to provide their current address to the Landlords and confirmed they have the email address for the Landlord's legal representative to provide their mailing address by email.

Analysis

- 18.I find the Tenants are entitled to \$5,000.00 to set-off the arrears of \$8,000.00. I find it is reasonable to allow the Tenants to November 1, 2023 to pay to the Landlords \$3,186.00 (\$8,000 arrears owing + \$186.00 filing fee \$5,000.00 set-off) before interest starts to accrue. I accept that the Tenants have three minor children and only one of the Tenants is currently working.
- 19.I accept that there was a written agreement between the parties which accompanied the signed N11 notice. I find the Tenants vacated the residential complex on June 30, 2023 based on the terms set out within the written agreement and as per the termination date in the N11 notice. I find this is a binding agreement. I find that the written agreement remains silent regarding the payment of the ongoing rent. The Landlord unilaterally cancelled the written agreement in the letter dated March 6, 2023 and the L3 application was withdrawn the following day. I accept the Tenants testimony which I found to be credible. I accept by March 1, 2023, they had already secured a new place to move to in Calgary and paid the first month's rent and last month's rent deposit for this new tenancy.

It is ordered that:

- 1. The tenancy between the Landlords and the Tenants is terminated as of June 30, 2023, the date the Tenants moved out of the rental unit.
- 2. The Tenants shall pay to the Landlords \$3,186.00. This amount includes rent arrears owing up to the date the Tenants moved out of the rental unit, the cost of filing the application, and less the amount for set off. See Schedule 1 for the calculation of the amount owing.
- 3. If the Tenants does not pay the Landlords the full amount owing on or before November 1, 2023, the Tenants will start to owe interest. This will be simple interest calculated from November 2, 2023 at 6.00% annually on the balance outstanding.
- 4. By September 15, 2023, the Tenants shall provide their current mailing address in Calgary, AB to the Landlords legal representative, Heidi Melville by email to the email address which the Tenants have for Heidi Melville.

September 1, 2023
Date Issued

Kimberly Parish
Member, Landlords and Tenants Board

15 Grosvenor St, 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.

Schedule 1 SUMMARY OF CALCULATIONS

A. Amount the Tenants must pay as the tenancy is terminated

Rent Owing To Move Out Date	\$9,687.50
Application Filing Fee	\$186.00
Less the amount the Tenants paid to the Landlords since the	- \$1,687.50
application was filed	
Less the set-off amount that the Tenants are entitled to	- \$5,000.00
Less the amount of the last month's rent deposit	- \$0.00
Total amount owing to the Landlords	\$3,186.00