

SUPERIOR COURT OF JUSTICE – ONTARIO

491 Steeles Avenue East, Milton ON L9T 1Y7

RE: Elle Mortgage Corporation, plaintiff

AND:

Mitchell William Taylor, and Laura Emily Kraehling, defendants

BEFORE: Associate Justice Glick

COUNSEL: Glenn E. Cohen, for the plaintiff

Mitchell Taylor, Self-represented

HEARD: February 12, 2026, by video conference

ENDORSEMENT

[1] This is a motion by the defendants Mitchell William Taylor and Laura Emily Kraehling for an Order transferring this proceeding from Milton to Guelph. The defendants also request an Order staying all proceedings in this action, including the motion for summary judgment and the triage attendance scheduled for February 26, 2026, pending the transfer of the action.

[2] For the reasons set out below, I find that this action should continue in Milton. As a result, a stay of the plaintiff's summary judgment motion is not necessary. The defendants' motion is therefore dismissed in its entirety.

Positions of the Parties

[3] The defendants have brought this motion because though this action has been commenced in Milton, the property in question is located in Guelph. The defendants live in Guelph. The plaintiff and its counsel are both located in Toronto. This matter has no rational connection, the defendant submits, to Milton.

[4] The defendants refer the court to the recent amendment to Rule 13.1.01(2), Regional Senior Justice Firestone's decision in *Toronto-Dominion Bank v. The Other End Inc. et al.*, 2025 ONSC 85, and endorsements in two cases in Milton which I discuss in more detail below.

[5] The plaintiff opposes the motion. The plaintiff points to Rule 13.1.01(3), which states that mortgage proceedings shall be commenced in the county that the regional senior judge of a region in which the property is located, in whole or in part, designated within that region for such claims. The plaintiff notes that Rule 13.1.01(3) survived the recent amendment to Rule 13.1. The plaintiff argues that it cannot have been the intent of the Rules Committee that actions would have to be commenced in one county and then automatically transferred to another county where the property is located. In that regard, the plaintiff argues that the proper interpretation of Rule 13.1.01(3) is that the proceeding must be commenced and continued in a designated court office. Rational connection does not apply.

Analysis

[6] I do not agree with the plaintiff as to their interpretation of Rule 13.1.01(3) and its impact on this motion. That rule, while requiring a plaintiff to commence a mortgage enforcement action in a designated county, does not prevent a party from bringing a motion to transfer the proceeding to another county under Rule 13.1.02(2), or the Court from exercising its power under Rule 13.1.02(4).

[7] The amendments to Rule 13.1 are meant to address the court's growing concern with respect to the practice of forum shopping and the negative impact of that practice. This has been addressed in multiple decisions of this court, including *BFT Mortgage Services Inc. v. Getz*, 2025 ONSC 2908, *RBC v. Gill*, 2025 ONSC 3095 and *BDC v. Ang*, 2025 ONSC 1752.

[8] Justice Kurz, in *BFT Mortgage Services Inc.*, dealt with similar arguments as are made by the plaintiff in this case with respect to Rule 13.1.01(3) and the *Central West Practice Direction*. Justice Kurz found, at paragraphs 31-38 of that decision, that the

commencement of a mortgage action in a county specified in the practice direction was not a bar to a motion to transfer that action to a more appropriate venue. Rule 13.1 and the practice direction must be read in light of rr. 1.04(1) and (1.1). The court must ensure fairness to all parties and to avoid an abuse of process.

[9] The plaintiff's assertion that Rule 13.1.01(3) will be rendered meaningless if parties are able to bring motions under 13.1.02(2) is overly alarmist. To transfer a mortgage action from the county in which it was commenced, a court must still consider the factors set out in Rule 13.1.02(2)(b). Location of the property is only one of the factors, and depending on the case, may not be determinative. The factors set forth in Rule 13.1.02(2)(b) are to be applied holistically. Firestone R.S.J. summarized the law in this regard in the case of *The Toronto-Dominion Bank v. The Other End Inc. et al.*, 2025 ONSC 85 at paragraphs 13-14:

[13] The factors set forth in Rule 13.1.02(2)(b) are to be applied holistically. No one of the enumerated factors is more important than the other. These factors are to be examined together and balanced in order to determine whether a requested transfer is desirable in the interests of justice: *Darteh v. Gross*, 2017 ONSC 2479, at paras. 8-9; *Hilson v. 1336365 Alberta Ltd.*, 2017 ONSC 4990, at paras. 12-13; *Chatterson et. al. v. M&M Meat Shops Ltd.*, 2014 ONSC 1897, 68 C.P.C. (7th) 135 (Div. Ct.), at para. 22; *Siemens Canada v. Ottawa (City)* (2008), 2008 CanLII 48152 (ON SC), 93 O.R. (3d) 220 (S.C.), at para. 25; and *Walcott v. Zheng*, 2021 ONSC 4679, at paras. 20, 22-23.

[14] In applying the "holistic approach" it is important to recognize that the balancing of the Rule 13.1.02(2)(b) factors is not a purely numerical or mathematical counting exercise: *Bruce Power L.P. v. BNT Canada, L.P.*, 2018 ONSC 5968, at para.16

[10] In summary, having regard to all of the above, I find that a motion to change the venue under Rule 13.1.02 is available to a party even where the action is a mortgage action which has been properly commenced in a county designated as a county for such claims by the regional senior judge of the region. A party is able to bring a motion on the basis that even if it was properly commenced in that county, it should be continued elsewhere.

[11] In this case however, for the reasons set out below, a transfer to Guelph is not desirable in the interests of justice and the defendants' motion is dismissed.

Application of the Factors in Rule 13.1.02(2)(b)

[12] This matter does not have a connection to Milton. The property is in Guelph, as are the defendants. The plaintiff is located in Toronto, as is their counsel. There is also no question that Guelph is a county in which the parties will be able to have a fair hearing. All of that being said, it became clear at the hearing that the defendants were bringing this motion for an improper purpose – namely to obtain a tactical advantage by which to force the plaintiff to enter into a settlement.

[13] The defendants, in their factum and in Mr. Mitchell's oral submission, made reference to two previous decisions of this court in cases involving Mr. Mitchell. Both of these cases were mortgage enforcement actions. The issue of appropriate venue was raised in both.

[14] The first is the case of *SHB Holdings Inc. et al. v. Paul Kraehling and Zlata Kraehling*. Mr. Mitchell identified the defendants in that action as his in-laws who he was assisting. Justice Mills in an endorsement dated February 5, 2026, stated that "counsel have been advised that as there is no apparent rational connection to Halton Region, on the return of this matter they may face a direction from the Court to transfer the action to Guelph."

[15] The second is the case of *Magenta Capital Corporation v. Laura Kraehling, Mitchell Taylor, and Paul Kraehling*. There are four endorsements in that case that Mr. Mitchell has referred me to. The first is an Endorsement from Justice Mills dated January 14, 2026. In that endorsement Justice Mills stayed the action, including enforcement steps, pending the transfer of the action from Milton to Guelph. This followed two earlier endorsements by Justice Mills dated January 8, 2026 and December 12, 2025 where she had dealt with the continued steps being taken by the plaintiff in the face of an Order by Justice Chang on October 8, 2025 staying the action and directing the plaintiff to bring a transfer motion.

[16] Justice Chang's decision of October 8, 2025 in the *Magenta* case was made before the amendments to Rule 13.1. Justice Chang, who is well aware of Rule 13.1.01(3), found that the action had no rational connection to Halton Region. The issue was not whether the action had been properly commenced in Milton, but rather whether it should continue in Milton. Like here, the property was in Guelph and the defendants lived in Guelph. Justice Chang adjourned the motion in front of him to allow the plaintiff to bring a motion to transfer the action to Guelph. He also directed no further steps be taken until the transfer.

[17] In oral argument Mr. Mitchell took me through these endorsements. It was his position that they demonstrated two things: that mortgage actions may be transferred under Rule 13.1 and that the motions proved useful in getting the plaintiffs to "lower their swords" and push them towards settlement. Mr. Mitchell advised that after these motions both actions were resolved. His submission was that a similar result may be achieved here if I made the requested order. The plaintiff could be encouraged to act reasonably and work with the defendants towards resolution.

[18] It is this last submission which gives me a significant amount of concern. It demonstrates that this motion to transfer is an abuse of process, being used by the defendants to try to obtain tactical advantage. The court cannot countenance this approach to litigation, nor an admitted misuse of the *Rules*. It is a relevant factor in the analysis, falling under Rule 13.1.02(2)(b)(ix), and in this case specifically, tips the balance towards keeping this action in Milton, at least at this stage of the proceedings.

[19] As a result, the defendants' motion is dismissed. There is no need to consider the issue of stay as I am not making an order transferring the action. The parties are directed to attend the triage attendance booked for February 26, 2026 in front of Justice Coats.

Costs

[20] The defendants did not seek costs on the motion. The plaintiff does seek costs and has provided a costs outline. In total, the plaintiff seeks costs in the amount of

\$4,016.59 inclusive at a substantial indemnity scale. The plaintiff was successful in the result, but as set out above, I did not agree or accept their legal submissions. As a result, there will be no order as to costs.

AJ GLICK

Released: February 18, 2026