

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:)	
)	
Michael Leaf and Vanessa Carvalho)	Michael Leaf and Vanessa Carvalho, Self-
)	Represented
Appellants)	
)	
– and –)	
)	
Yuan Wang)	Yuan Wang, Self-Represented
)	
Respondent)	
)	
)	
)	HEARD: January 28, 2026

2026 ONSC 1503 (CanLII)

REASONS FOR DECISION

S.E. FRASER, J.:

I. Overview

- [1] Michael Leaf and Vanessa Carvalho appeal from a decision of the Small Claims Court. The appeal concerns whether a person with a signed lease agreement is entitled to sue for damages when the landlord breaks the lease prior to the tenant occupying the premises.
- [2] Mr. Leaf and Ms. Carvalho signed a lease for an apartment. The lease was in a standard form lease. The tenancy was to commence on September 1, 2021. In advance of that date, Mr. Leaf contacted the landlord to see if she would allow him to have access to the premises early so that he could clean. In the process of those discussions, the landlord terminated the lease because Mr. Leaf was being too pushy.
- [3] The Appellants sued for damages incurred for hotel and other arrangements that they had to make when the agreement was terminated. They also brought an application before the Landlord and Tenant Board (“LTB”) for a return of their last month’s rent.
- [4] The Respondent argues that the Court below arrived at the correct result and asks that the decision be upheld.

II. Issues

[5] The issues on this appeal are:

- a. What is the appropriate standard of review?
- b. Was the Board wrong in finding that it did not have jurisdiction to decide the matter?
- c. If the Board erred, what is the appropriate order? Can the case be decided on appeal or must it be sent back for a trial?

III. Analysis

[6] I begin with a brief review of what transpired at the trial before turning to the issues.

A. *Proceedings Below*

[7] When the trial commenced below, the Respondent's legal representative argued that the matter was *res judicata* as the LTB made an order for the return of the deposit. Ultimately, the Court below did not decide that issue, finding that it was without jurisdiction.

[8] The Court then raised the question of its jurisdiction. There was a back and forth between the parties and the Court found that it did not have jurisdiction to hear the trial as the claim for damages was in the exclusive jurisdiction of the LTB under the *Residential Tenancies Act* ("RTA").

[9] The Deputy Judge did not state what provision of the RTA upon which he relied. He referred to Bill 184, referring to *Bill 184, Protecting Tenants and Strengthening Community Housing Act, 2020*, although not referring to it as such.

[10] As a result of the Deputy Judge's finding that he did not have jurisdiction, no evidence was called, and the case did not proceed beyond the ruling on the preliminary issue.

A. *Standard of Review*

[11] The standard of review on appeal is correctness on questions of law and palpable and overriding error on findings of fact. See: *Housen v. Nikolaisen*, 2002 SCC 33, [2002] 2 SCR 235.

[12] This case raises a concern regarding the adequacy of reasons. In *Maple Ridge Community Management Ltd. v. Peel Condominium Corporation No. 231*, 2015 ONCA 520, the Court of Appeal held in respect of reasons, at para 35:

Reasons from the Small Claims Court must be sufficiently clear to permit judicial review on appeal. They must explain to the litigants what has been decided and why: *Doerr v. Sterling Paralegal*, 2014 ONSC 2335,

at paras. 17-19. However, appellate consideration of Small Claims Court reasons must recognize the informal nature of that court, as well as the volume of cases it handles and its statutory mandate to deal with these cases efficiently. In short, in assessing the adequacy of the reasons, context matters: *Massoudinia v. Volfson*, 2013 ONCA 29, at para. 9. Just as oral reasons will not necessarily be as detailed as written reasons, reasons from the Small Claims Court will not always be as thorough as those in Superior Court decisions. Failing to take the Small Claims Court context into account only serves to restrict access to justice by unnecessarily imparting formality and delay into a legal process that is designed to be informal and efficient.

B. Proceedings Before the Small Claims Court

[13] As noted above, the Appellants entered into a tenancy agreement with the Respondent. The tenancy was scheduled to commence on September 1, 2021. In advance of the move in date, the Appellants contacted the Respondent about moving in early, in order to clean. The messages sent by the Appellant Mr. Leaf to the Respondent landlord resulted in her stating that he was too pushy, and she cancelled the lease.

[14] The Appellant sued for breach of contract and claimed damages for temporary housing costs associated with the breach, storage fees, and moving expenses.

[15] At the outset of the trial, the Respondent raised issues that the matter was *res judicata* because the Appellant had appeared before the LTB for a return of deposit. There was a back and forth between the parties, about the timing and nature of the breach and whether amendments to the RTA ousted the jurisdiction of the Small Claims Court.

[16] The Appellants were not permitted to make an opening statement before the Deputy Judge found that the Court did not have jurisdiction. The trial judge held:

[T]he amendments to the *Residential Tenancy Act* to which became - which came into effect September 1st of 2021, has jurisdiction over all damages relating to landlord and tenant matters up to the monetary limit.

....

The lease is September 1st. I view these matters as Landlord and Tenant jurisdiction matters not properly before the Small Claims Court. Accordingly, I find that this court does not have jurisdiction to hear this matter. It is proper jurisdiction which gives the court judgment teeth which allows a judgment to be enforced. If there is no proper jurisdiction, any judgment rendered is meaningless.

[17] The Order of the Court dated February 6, 2024 provides:

For reasons stated on the record, the action is dismissed for want of jurisdiction. The essential character of the action derives from Landlord and Tenant issues. Pursuant to amendments to the Residential Tenancies Act starting from September 1, 2021, Landlord and Tenant issues are within the exclusive jurisdiction of the Landlord and Tenant Board. I find that this tenancy was to start September 1, 2021 and as such is a Landlord and Tenant Board matter.

- [18] Neither the oral reasons nor the Court's order delineate what provisions of the *Residential Tenancies Act* upon which the Court relied.

C. Did the Court Err?

- [19] While not set out in the Board's reasons, I have reviewed the changes that came with Bill 184. I have done my best, without success, to discern what provisions of the RTA were relied upon by the Court. I do so because of the volume of the Court, appreciating that there is less formality, and also understanding that reasons may not be as thorough given the nature of the Court.
- [20] I note that the *Protecting Tenants and Strengthening Community Housing Act, 2020*, S.O. 2020, c. 16 - Bill 184, received Royal Assent on July 21, 2020. The compensation provisions were proclaimed into force on September 1, 2021.
- [21] Those changes included provisions that permitted compensation to a tenant in certain circumstances. Under s. 52 and subsections 54(1) and (2), there are provisions relating to termination of tenancy for the purpose of repairs or renovations. Under s. 57, there is a provision that permits the Board to determine whether the landlord had given a notice of termination in bad faith.
- [22] Upon review of those provisions, I can find none that would address the damages claimed here or a pre-contractual breach.
- [23] The Appellants submit that the Deputy Judge ignored the precedent set in *Lamarche v. Ko*, 2016 CanLII 86111 (ON SCSM) which they put before the Court below. In that case, the Deputy Judge held that where there was an anticipatory breach of the lease, i.e. before the tenancy commenced, the claim was one of contract and not within the exclusive jurisdiction of the Board. While the Deputy Judge did not distinguish the case specifically, the record reflects that he viewed the Bill 184 amendments as changing the law.
- [24] Unfortunately, the reasons do not permit me to understand the basis the Court concluding that a breach of a tenancy agreement before the commencement of a tenancy fell within the exclusive jurisdiction of the LTB. As a result, I find that the Deputy Judge erred.

D. Relief

- [25] Under Section 134 of the *Courts of Justice Act*, I may make any order or decision that ought to or could have been made by the Court appealed from or order a new trial or make any other order or decision that is considered just.
- [26] As the trial judge did not receive evidence or make factual findings, the appropriate course is to return this matter to the Small Claims Court for a new trial before a different trial judge so that evidence can be received and tested in accordance with the *Rules of the Small Claims Court*.

IV. Conclusion

- [27] The appeal is allowed and the matter remitted to the Small Claim Court for a new trial.

Justice S.E. Fraser

Released: March 11, 2026

CITATION: Leaf v. Wang, 2026 ONSC 1503

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:

Michael Leaf and Vanessa Carvalho

Appellants

– and –

Yuan Wang

Respondent

REASONS FOR DECISION

Justice S.E. Fraser

Released: March 11, 2026