COURT OF APPEAL FOR ONTARIO

CITATION: Chayil Church v. Soneil Pickering Inc., 2026 ONCA 325
DATE: 20260507
DOCKET: COA-25-CV-1241

Miller, Favreau and Rahman JJ.A.

BETWEEN

Chayil Church

Applicant (Appellant)

and

Soneil Pickering Inc.

Respondent (Respondent)

Jeffrey Radnoff and Asad Khan, for the appellant

Sam Rogers and Dan Poliwoda, for the respondent

Heard: April 30, 2026

On appeal from the judgment of Justice Grant R. Dow of the Superior Court of Justice, dated September 17, 2025, with reasons at 2025 ONSC 3830.

REASONS FOR DECISION

[1] The appellant, Chayil Church, has operated out of leased premises in a commercial plaza in Mississauga since 1992. Its operations have expanded significantly since that time and in addition to spiritual ministry and worship services, it provides more than 40 community outreach programs operating through hundreds of volunteers. Over the years, its needs for space have changed,

usually growing and occasionally contracting. The term of the original lease has been extended several times and the lease amended several times, totaling 14 lease agreements with the previous owners of the property. As explained below, the unintended result of continually amending the original lease rather than entering into a fresh lease was to introduce some uncertainty into the interpretation of the termination clause.

[2] The respondent purchased the commercial plaza in 2024, with approximately four years remaining in the term of the lease. Prior to completing the purchase, the respondent advised the appellant in February 2024 that it would be required to enter into a fresh lease by which its rent would be doubled and it would be require to surrender 10,000 square feet of space. If it did not agree to these terms, the lease would be terminated and the appellant would be required to vacate within 30 days.

[3] The appellant voiced its objection to the demand by way of letter dated March 4, 2024, stating that the proposal was unreasonable and inconsistent with the terms of the 2020 lease. At a meeting the next day with a representative of the respondent, the respondent advised that it was relying on a 30-day termination clause contained in the 1998 Lease Extension and Amending Agreement (the "1998 Agreement"). This clause provided that "the Landlord shall have the right to terminate the Lease by providing at least thirty (30) days written notice (the

"Termination Notice") to the Tenant informing the Tenant that the Landlord has terminated the Lease".

[4] As part of its pre-closing process, the respondent required that each of the existing tenants sign estoppel certificates prepared by the respondent. The certificates were intended to catalogue the lease agreements. On March 21, 2024, the appellant signed the estoppel certificate presented to it, which confirmed that the original lease remained in full force and effect and was enforceable "save and except for" the 13 amending agreements thereafter listed.

[5] The respondent completed its purchase of the property and issued a notice of termination of the lease on May 3, 2024. The appellant brought an application for an order restraining the respondent from terminating the lease.

The decision below

[6] The application judge dismissed the application on the basis that the 30-day termination clause contained in the 1998 Agreement remained in force. He noted that this provision was never expressly removed by any of the subsequent lease extensions and amendments and that the 1998 Agreement was included in the estoppel certificate. Accordingly, he found that the Notice of Termination was valid.

The appeal

[7] The appellant argues that the application judge erred by not addressing its primary argument: that the 30-day termination clause contained in the 1998

Agreement had to be interpreted in the broader context of all of the 14 lease agreements, and not as a standalone document. The argument was not that the 30-day termination clause had been subsequently revoked, but that it had only ever applied to the term of the 1998 extension.

[8] In support of this argument, the appellant notes that the subsequent amending agreements include a termination clause that requires six months' notice and is exercisable only if the landlord seeks to demolish, renovate, or redevelop the property. The appellant argues that the inclusion of the subsequent termination clauses can only make sense if it was understood by all parties that the 30-day termination clause was confined to the term of the 1998 extension. There would be no reason to include a six-month termination clause exercisable only on condition of renovation or redevelopment if the landlord could have recourse to an unrestricted 30-day clause.

[9] This is a plausible argument and one that was advanced before the application judge. The application judge did not address it. He did not undertake the necessary analysis of the original agreement and subsequent amendments to determine whether the 30-day termination clause was meant to survive subsequent extensions and amendments to the lease. While judges are not required to address every argument made by the parties, this was a key argument that went to the heart of the application. We agree with the appellant that it was an

error for the application judge not to address it. We accordingly allow the appeal and set aside the order dismissing the application.

[10] This court is not, however, in a position to set aside the Notice of Termination. The necessary exercise in contractual interpretation requires findings of fact that are more appropriately made by a court of first instance. We therefore remit the application for a new hearing.

DISPOSITION

[11] The appeal is allowed, the order set aside, and the matter remitted to the Superior Court to be reargued before a different judge.

[12] The appellant is awarded costs of the appeal in the amount of $20,000, all inclusive, which amount includes $5,000 for the injunction motion heard before Thorburn J.A.

"B.W. Miller J.A."
"L. Favreau J.A."
"M. Rahman J.A."