



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-072932-25

In the matter of: 187 Forest Creek Drive South
Kitchener Ontario N2R0M1

Between: Mike Waddie Tenant

And

Jag Takhar Landlord

Mike Waddie (the 'Tenant') applied for an order determining that Jag Takhar (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on December 22, 2025.

The Landlord and the Tenant attended the hearing.

Determinations:

1. As explained below, the Tenant proved some of the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must pay to the Tenant \$553.00
2. The Landlord collected a charge which is not allowed by the *Residential Tenancies Act, 2006* (the 'Act').
3. The Landlord did not illegally retain the Tenant's rent deposit.
4. The Tenant testified that he moved unto the rental unit June 1, 2024. He testified that when the tenancy began, he paid \$2500.00 to the Landlord. This was \$2000.00 for last months rent and a \$500.00 security deposit. The Tenant testified that neither were returned when he vacated.
5. The Tenant testified that he vacated June 1, 2025, because he was asked to vacate by the Landlord.
6. He testified that the Landlord that on May 24, 2025 the Landlord told him her nephew had been displaced and would need a place to live. The Landlord did not ask the Tenant to move out by a specific date, however the Tenant testified that it was implied to be a serious situation, and the Landlord needed the unit as soon as possible.

7. The Landlord did not serve the Tenant with an N12 Notice of Termination, and the Tenant provided no documentation for my review to substantiate that the Landlord requested he vacate the rental unit.
8. The Tenant testified that he informed the Landlord that he would be vacating the rental unit on June 1, 2025, on May 27, 2025. The Tenant testified that the Landlord told him that was okay. He testified that that he told the Landlord that it was unfortunate that he had to vacate but was prepared to do so to allow her nephew to take back the unit, the Tenant assured the Landlord he would be out by June 1 and requested that she return the last months rent deposit and security deposit. The Tenant testified that the Landlord agreed to do so.
9. The Tenant testified that he vacated June 1, 2025, and left the keys under the doormat.
10. The Landlord testified that she did not ask the Tenant to vacated right away, or by a particular date. She testified that there were issues in the rental unit, including a smashed window and smoking in the rental unit causing the smoke alarms to alert. The Landlord testified that she informed the Tenant that if he continued to smoke, she would not renew the lease.
11. The Landlord testified that she did inform the Tenant that her nephew would be moving in, but never told the Tenant that she would be terminating the tenancy immediately and did not discuss a date she wanted the Tenant to vacate. The Landlord testified that the parties had a one-year lease which had not yet ended when this conversation occurred.
12. The Landlord testified that she received a call from form the Tenant's realtor on May 27, 2025, looking for a reference for the Tenant, and she provided a positive reference. She testified that after this call she contacted the Tenant, and he informed her that he had found a new place that he needed to take right away. She testified that she did not promise to return the last months rent and instead asked him to hold on. She testified that if the realtor had not called her she suspected that the Tenant would not have informed the her that he was vacating.
13. The Landlord denied that the keys were ever returned. She testified that the rental unit was unoccupied for a month of after the Tenant vacated while she conducted repairs.

Analysis

14. The Tenant's testimony was calm clear and credible, and I have no concerns with respect to his credibility or reliability. Likewise, I do not have any readability or reliability concerns with respect to the Landlord's testimony.
15. I am not satisfied that the Tenant has demonstrated that the parties agreed to terminate the tenancy effective June 1, 2025. While I accept that the Landlord had made the Tenant aware that she wished to have her nephew occupy the rental unit the Landlord did not ask the Tenant to vacate by a particular date, and did not serve the Tenant with a notice of termination to end the tenancy.
16. Therefore, I am not satisfied that the Tenant has demonstrated that the Landlord requested the Tenant vacate June 1, 2025, or that the parties agreed to terminate the

tenancy June 1, 2025. Instead, it appears that the Landlord informed the Tenant that she did not intend to renew the lease and indicate that her nephew would be occupying the rental unit soon. While I can appreciate that the Tenant felt her was doing the Landlord a favor by vacating as quickly as he could, I am not satisfied the Tenant was obligated to vacate June 1, 2025, and could have requested the Landlord served an N12 notice of termination or remained in the rental unit.

17. Instead of doing so it appear that the Tenant elected to vacate and made the Landlord aware of this intention on May 27, 2025. The earliest the Tenant could have given notice to terminate the tenancy on this date would have been July 31, 2025. Therefore, I am not satisfied that the Tenant is entitled to the return of the last month rent deposit.
18. As this is a Tenant's Application and the onus is on the Tenant, I am not satisfied that the Tenant has demonstrated that the agreed to terminate the tenancy June 1, 2025, and return the last month rent.
19. With respect to the security deposit, I am satisfied that the Landlord has collected a charge which is not allowed by the Residential Tenancies Act, 2006 (the 'Act').
20. Section 134(1) of the Act States:

134 (1) Unless otherwise prescribed, no landlord shall, directly or indirectly, with respect to any rental unit,

(a) collect or require or attempt to collect or require from a tenant, prospective tenant or former tenant of the rental unit a fee, premium, commission, bonus, penalty, key deposit or other like amount of money whether or not the money is refundable;

(b) require or attempt to require a tenant or prospective tenant to pay any consideration for goods or services as a condition for granting the tenancy or continuing to permit occupancy of a rental unit if that consideration is in addition to the rent the tenant is lawfully required to pay to the landlord; or

(c) rent any portion of the rental unit for a rent which, together with all other rents payable for all other portions of the rental unit, is a sum that is greater than the rent the landlord may lawfully charge for the rental unit. 2006, c. 17, s. 134 (1); 2017, c. 13, s. 24 (1).

21. While there are some exceptions to this section of the Act contained in Ontario Regulation 516/06, I am not satisfied that a security deposit is one of those exemptions and is therefore not permitted by the Act. Therefore, I am satisfied that the Landlord has collected an illegal charge of \$500.00

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$553.00 This amount represents:
 - \$500.00 for the illegal charge collected.
 - \$53.00 for the cost of filing the application.

2. The Landlord shall pay the Tenant the full amount owing by January 30, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by January 30, 2026, the Landlord will owe interest. This will be simple interest calculated from January 31, 2026 at 4.00% annually on the balance outstanding.
4. The Tenant has the right, at any time, to collect the full amount owing or any balance outstanding under this order.

January 19, 2026
Date Issued

Reid Jackson
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.