Order under Section 31
Residential Tenancies Act, 2006

Citation: Purchase v Quail, 2026 ONLTB 4949
Date: 2026-01-21
File Number: LTB-T-073215-22
LTB-T-027280-23

In the matter of: 15083 Medway Road
Arva ON N0M1C0

Between: Jessica Purchase
Denver Smalls
Rubyn Smalls
Hazel Smalls
Corbin Smalls
Tenants

And

Lois Quail
Landlord

Jessica Purchase, Denver Smalls, Rubyn Smalls, Hazel Smalls and Corbin Smalls (the 'Tenants') applied for an order determining that Lois Quail (the 'Landlord'):

- substantially interfered with the reasonable enjoyment of the rental unit or residential complex by the Tenant or by a member of their household. (T2 application)
- failed to repair or maintain the rental unit or residential complex, or did not comply with health, safety, housing, or maintenance standards. (T6 application)
- charged the Tenant illegal charges and retained money illegally (T1 application)
- gave a notice of termination in bad faith (T5 application)

These applications were heard by videoconference on January 12, 2026.

The Landlord and the Tenants, Jessica Purchase and Denver Smalls attended attended the hearing. The Landlord was represented at the hearing by her friend Michael Code.

Determinations:

1. As explained below, the Tenants proved a portion of the allegations contained in the applications on a balance of probabilities. Therefore, the Landlord must pay the Tenants $3,709.73.

T2 and T5 application

2. At the hearing, the Tenants withdrew the T2 and T5 applications. Accordingly, those applications are dismissed.

T6 Application

3. The rental property is located on an approximately 11-acre rural parcel. It is undisputed that the tenancy agreement (DOC-7070850, p. 11) provides that the Tenants were responsible for cutting the grass and maintaining the exterior grounds.

Expenses

4. The rental property is unique in that it sits on 11-acre parcel of land in a rural area. It is undisputed that the lease agreement (DOC 7070850 pg. 11) sets out that the Tenants are responsible to cut the grass on the property.
5. The Tenants submit that, although they agreed to exterior maintenance, the size of the property made it impractical to maintain and resulted in additional expenses, including fuel and third-party maintenance services.
6. The Landlord submits that the lawful rent reflected the Tenants' agreement to maintain the exterior and that any expenses incurred in fulfilling that obligation were the Tenants' responsibility.
7. I agree with the Landlord. The tenancy agreement clearly assigns responsibility for exterior maintenance to the Tenants. The Tenants had exclusive use of the exterior grounds, and no municipal by-law was identified that would shift responsibility for this maintenance to the Landlord. Accordingly, the Tenants are not entitled to reimbursement for exterior maintenance expenses, including fuel costs. This portion of the T6 application is dismissed.

Sauna/Playhouse

8. The residential complex included a sauna, and an outbuilding referred to as a playhouse, both of which were identified in the tenancy agreement. The agreement permitted use of these structures at the Tenants' own risk.
9. The Tenants testified that the sauna could not be safely used due to fire hazards. They further testified that on October 25, 2022, agents acting for the Landlord removed stove pipes from both the sauna and the playhouse, nailed the doors shut, and posted "no trespassing" signage, thereby eliminating access.
10. The Landlord acknowledged that access to the sauna and playhouse was removed. She testified that this was done for safety reasons and because repairs could not be completed during the winter months.

Analysis

11. Section 20(1) of the *Residential Tenancies Act, 2006* (the Act) requires a landlord to maintain a rental unit and residential complex in a good state of repair and fit for habitation. Section 20(2) of the Act provides that this obligation applies even if the tenant was aware of the state of non-repair before entering the tenancy.

12. The Landlord submits that the Tenants were aware of the condition of the sauna and playhouse at the commencement of the tenancy and that use of those amenities was at the Tenants' own risk. However, I find this submission to inconsistent with section 20(2) of the Act. Once the sauna and playhouse were included as part of the tenancy, the Landlord remained responsible for maintaining those areas in a good state of repair.

13. I find evidence establishes that the sauna was not reasonably usable throughout the tenancy and that access to the playhouse was removed entirely on October 25, 2022.

14. In *Onyskiw v. CJM Property Management Ltd*., 2016 ONCA 477, the Court of Appeal for Ontario held that a landlord's response to maintenance issues must be assessed contextually and that no breach will be found where the response is reasonable in the circumstances.

15. The Landlord submits that restricting access to the sauna and playhouse was a temporary and reasonable safety measure pending spring repairs.

16. I do not accept this submission. While a delay in completing repairs may, in some circumstances, be reasonable, there was no evidence that the Landlord took meaningful steps toward repairing the sauna or playhouse, such as obtaining quotes, scheduling work, or otherwise planning remediation.

17. Further, it is clear Landlord and Tenants had an acrimonious relationship regarding the discontinuing use of the outbuildings and the Tenants use of the garage to run a school. I find, on a balance of probabilities, the Landlord wanted the tenancy end and had no desire to repair the sauna or the playhouse. In these circumstances, I find the Landlord's response was not reasonable as contemplated in *Onyskiw*.

Remedy

18. The Tenants seek a rent abatement. JP testified that the sauna was important to her husband's well-being and that the playhouse was used for family gatherings due to the limited size of the main dwelling.

19. Having regard to the impact on the Tenants, I find that a 5% rent abatement is appropriate for the period November 1, 2021 to February 19, 2023, during which the Tenants were unable to reasonably use the sauna. This results in an abatement of $1,604.05.

20. From October 25, 2022, to February 19, 2023, the Tenants were also unable to use the playhouse. Although the Landlord submits the structure was intended as a children's playhouse, it formed part of the residential complex available to the Tenants. A landlord cannot micromanage the way tenants lawfully use areas of the rental unit or residential complex. I am mindful that the playhouse had a wooden stove and suitable for their guests to stay. I therefore find that the loss of use of the playhouse warrants an additional 5% rent abatement for this period, totaling $397.65.

T1 Application – Rent Deposit, Interest

21. It is undisputed that the Landlord collected $5,700.00 as a rent deposit, contrary to section 106(2) of the Act, which limits rent deposits to one month's rent.

22. On January 12, 2023, the Tenants were served with an N12 notice of termination with a termination date of March 31, 2023. The Landlord applied the two-month deposit to rent for February and March 2023.

23. On February 9, 2023, the Tenants exercised their rights under section 48(3) of the Act and served an N9 notice terminating the tenancy effective February 19, 2023. The Tenants therefore seek the return of their deposit, less rent owing for the period they occupied the unit in February 2023.

24. The Landlord submits the N9 was invalid and that she was entitled to apply the deposit to rent for both February and March 2023.

25. This issue has already been determined by the Board. In Order LTB-L-014325-24, the Board found that the Tenants vacated the rental unit on February 19, 2023, pursuant to a valid N9 notice. The Landlord's request to review that order was denied by an order issued November 7, 2025.

26. As the Board has already determined the end date of the tenancy, there is no basis to revisit that finding. Since the tenancy terminated on February 19, 2023, the Landlord was not entitled to retain the rent deposit beyond that date.

27. Rent owing for February 1 to February 19, 2023 totals $1,318.27. The excess portion of the $5,700.00 deposit therefore equals $4,381.73, which must be returned to the Tenants.

28. The Tenants filed a complaint with the Rental Housing Enforcement Unit (RHEU). To resolve that matter and avoid prosecution, the Landlord paid the Tenants $2,800.00. The Landlord submits that the payment of $2,800.00 resolved the issue and ordering any further payments would amount to a double recovery.

29. I find the Landlord's submission to be misguided. An agreement between the Crown and Landlord to avoid a quasi-criminal charge does not extinguish the right for the Tenants to pursue what is rightfully owed to them under the Act. However, the $2,800.00 payment is credited against the amount owed, leaving a balance of $1,581.73 owing to the Tenants.

30. Section 106(6) of the Act requires a landlord to pay interest annually on a rent deposit at the guideline rate.

31. The Landlord provided evidence of an interest payment made on October 31, 2022, which I accept. Accordingly, interest is owing from November 1, 2022, to February 19, 2023. The interest owing totals $30.95.

32. The Tenants paid $48.00 for the T1 and T6 applications and is entitled to be reimbursed those costs.

It is ordered that:

1. The total amount the Landlord shall pay the Tenants is $3,709.73. This amount represents:
    - $2,001.05 for a rent abatement
    - $1,581.73 for a return of the excess rent deposit retained the Landlord
    - $30.95 for interest on the deposit
    - $96 for the cost of filing the applications.
2. The Landlord shall pay the Tenant the full amount owing by February 1, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by February 1, 2026, the Landlord will owe interest. This will be simple interest calculated from February 2, 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 21, 2026
Date Issued

Bryan Delorenzi
Member, Landlord and Tenant Board

15 Grosvenor Street, Ground Floor
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If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.