



**Order under Section 69
Residential Tenancies Act, 2006**

File Number: LTB-L-089000-25

In the matter of: ROOM 5, 629 MAIN ST W
PORT COLBORNE ON L3K 5V4

Between: Capri Motel Landlord

and

Gilles Falardeau Tenants
J,R, Andre Beauparlant

Capri Motel (the 'Landlord') applied for an order to terminate the tenancy and evict J,R, Andre Beauparlant And Gilles Falardeau (the 'Tenants') because the Tenants did not pay the rent that the Tenants owe.

This application was heard by videoconference on January 5, 2026.

The Landlord's agent, Xiu Chun Zhang, and Tenant, Gilles Falardeau, attended the hearing on her behalf and on behalf of the other Tenants.

Determinations:

1. The Landlord served the Tenants with a valid Notice to End Tenancy Early for Non-payment of Rent (N4 Notice). The Tenants did not void the notice by paying the amount of rent arrears owing by the termination date in the N4 Notice or before the date the application was filed.
2. As of the hearing date, the Tenants were still in possession of the rental unit.
3. The lawful rent is \$1,103.00. It is due on the 1st day of each month.
4. The Tenants had paid \$3,263.00 to the Landlord since the application was filed.
5. It is not in dispute that the rent arrears owing to January 31, 2026, are \$1,080.00. The Tenant disputed the Landlord's claim for the \$186.00 filing fee and testified that the Landlord was holding a security deposit of \$1,080.00 for furniture and the Tenant had asked the Landlord to apply this amount to the rent arrears.
6. The Landlord testified that he is holding a security deposit for furniture and confirmed that he was informed by the Tenant to use the security deposit towards the arrears after the L1 application was filed. The Landlord could not recall the exact date the Tenant notified him.

7. Subsection 134(1)(a) of the *Residential Tenancies Act, 2006* (the 'Act') prohibits a Landlord from collecting or retaining a security deposit for furniture:

Subsection 134(1)(a): 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;
8. Thus, the Landlord collected and retained an illegal deposit equal to the amount of arrears owing by the Tenant. Further, I find that the Landlord should have applied the illegal deposit of \$1,080.00 to the month of October 2025 when asked by the Tenant.
9. Section 183 of the Act requires the Board to adopt the most expeditious method of determining the questions arising in a proceeding that affords to all persons directly affected by the proceeding an adequate opportunity to know the issues and be heard on the matter.
10. Given the circumstances, it would be consistent with section 183 of the Act to direct that the illegal rent deposit held by the Landlord be applied to satisfy all of the rent owing for the period ending on January 31, 2026. I would be contrary to section 183 to require the Tenant to file a separate application to recover the deposit.
11. I am not awarding the Landlord the filing fee for this application given the Landlord's illegal collection of the furniture deposit and the unreasonable refusal to apply it to the rent arrears when requested.

It is ordered that:

1. The Landlord shall apply the illegal security deposit of \$1,080.00 to the rent arrears owing for the period ending on January 31, 2026.

January 30, 2026
Date Issued

Adeela Alvez
Member, Landlords 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.