



Order under Section 135 Residential Tenancies Act, 2006

Citation: Bhagat v 2663265 Ontario Inc., 2026 ONLTB 278

Date: 2026-02-10

File Number: LTB-T-094853-24

In the matter of: 325 A LESTER ST
WATERLOO ON N2L3W6

Between: Hania Bhagat Tenant

And

2663265 Ontario Inc. Landlord

Hania Bhagat (the 'Tenant') applied for an order determining that 2663265 Ontario Inc. (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on November 25, 2025.

The Tenant, the Tenant's Representative, Rimsha Bhagat, and the Landlord's Representative, Lily Xu, the attended the hearing.

Preliminary Issues:

1. On November 18, 2024, the Tenant filed her application with the Board. At that time, the only amount sought by the Tenant was \$90.00 in connection to NSF fees (\$20.00), administrative charges (\$20.00) and discount of rent (\$50.00). The Landlord's Representative argued that the Tenant's application should be dismissed as it could not be successfully argued that the Landlord collected or retained money illegally because the Tenant never paid the Landlord \$90.00.
2. The Tenant's Representative requested the application be amended to include the return of her key deposit in the amount \$200.00. The Tenant's request to amend the application to address the key deposit is granted.
3. Board Rule 15 provides directions to Board members for dealing with requests by parties to amend their applications and while it principally deals with amendment requests prior to the hearing, it also addresses amendment requests at the hearing.

4. Board Rule 15.4 addresses situations where a party requests to amend an order at the hearing and sets out criteria the Board member must determine in exercising discretion available to them to grant a request to amend the order at the hearing. Rule 15.4 states that the LTB may exercise its discretion to grant a request to amend made at the hearing if satisfied that the amendment is appropriate, would not prejudice any party and its consistent with a fair and expeditious hearing.
5. Since the Landlord was prepared to address this issue at the hearing, there was little to no prejudice to amend the application to ensure the most efficient use of the Board's time and the parties' time.

T1 Application:

6. As explained below, the Tenant has proven the allegations contained in the application on a balance of probabilities. The Landlord owes the Tenant \$200.00 plus the cost of the application fee.

NSF and other charges:

7. The Tenant brings this application under section 135(1) of the *Residential Tenancies Act, 2006* (the 'Act') which states as follows:

135 (1) A tenant or former tenant of a rental unit may apply to the Board for an order that the landlord, superintendent or agent of the landlord pay to the tenant any money the person collected or retained in contravention of this Act or the *Tenant Protection Act, 1997*.

8. The Tenant's Representative does not challenge the Landlord's evidence that the Tenant did not pay the Landlord \$90.00. I find it cannot be said the Landlord collected or retained money unlawfully when it wasn't paid. Accordingly, the Tenant's claim under section 135(1) is dismissed.

Key Deposit:

9. The Tenant alleges they paid the Landlord an illegal charge of \$200.00 for a key deposit.
10. Subsection 134(1)(a) of the *Residential Tenancies Act, 2006* (the 'Act') reads as follows:

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.

11. Relatedly, paragraph 17(3) of the Ontario Regulation 516/06 provides:

17. The following payments are exempt from subsections 134 (1) and (3) of the Act:

...

3. Payment of a refundable key, remote entry device or card deposit, not greater than the expected directly replacement costs.

Undisputed Facts:

12. The evidence establishes that the Tenant paid the Landlord a \$200.00 key deposit and returned the key to the Landlord when she vacated the rental unit on August 31, 2025. The Tenant contacted the Landlord on three different occasion asking for return of the key deposit. The email dated October 29, 2025, also asked, "When will my key deposit be ready for deposit." There is no record that HRS Property Management responded.
13. The Landlord's Agent testified that she signed the cheque for the return of the key deposit shortly after the key was returned. The cheque is stored in a drawer in the Landlord's office at the time of the hearing. The Landlord informed the Tenant about picking it up the cheque but on the day the Tenant went to the office a dispute started and the cheque was not given to the Tenant. I find the Landlord owes the Tenant \$200.00 for the refundable key deposit.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$248.00. This amount represents:
 - \$200.00 for the Tenant's key deposit retained by the Landlord.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenant the full amount owing by February 21, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by February 21, 2026, the Landlord will owe interest. This will be simple interest calculated from February 22, 2026, at 4.00% annually on the balance outstanding.

February 10, 2026

Date Issued

Douglas Malanka

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.