



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-036323-24

In the matter of: Basement, 120 HARLANDALE AVE
Toronto ON M2N1P3

Between: Kanna mae Okawa Tenants
Jurgen nyhl Madali

And

Sayyed amir reza Aram Landlord

Kanna mae Okawa and Jurgen nyhl Madali (the 'Tenants') applied for an order determining that Sayyed amir reza Aram (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on November 3, 2025.

Only the Tenants attended the hearing.

As of 9:33 a.m., the Landlord was not present or represented at the hearing although properly served with notice of this hearing by the LTB. There was no record of a request to adjourn the hearing. As a result, the hearing proceeded with only the Tenants' evidence.

Determinations:

1. For the reasons set out below, the Tenants established the allegations in the application on a balance of probabilities. As a result, the Landlord is required to compensate the Tenants for three months of prepaid rent and the return of the key deposit, in the total amount of \$8,900.00.
2. The tenancy between the Landlord and the Tenants began on October 1, 2023, pursuant to a fixed-term tenancy agreement for one year, ending on September 30, 2024. The Tenants vacated the rental unit on December 4, 2023, due to serious maintenance concerns, including non-functioning appliances, mold throughout the unit, and garbage that had not been removed at the commencement of the tenancy. The Tenants subsequently served a Form N9 Notice of Termination effective December 31, 2023.
3. The Tenants testified that on November 1, 2023, they notified the Landlord of their intention to assign the tenancy agreement and to seek replacement tenants. The Landlord

did not respond to this request and did not provide approval or refusal to assign the tenancy.

4. The Tenants further testified that on November 6, 2023, they received a text message from the Landlord stating that, due to difficulties during the tenancy, it was not in the interests of either party to continue. In that message, the Landlord indicated that the tenancy would end if the Tenants vacated within two weeks, thereby agreeing to terminate the tenancy. The Landlord further advised that he would retain two months' rent as a penalty to compensate his agents and to cover the costs of cleaning and painting the unit.
5. On November 9, 2023, the Tenants sent an email to the Landlord acknowledging his agreement to terminate the tenancy effective November 30, 2023, as set out in his November 6, 2023 text message. As the Landlord did not respond to the request to assign the tenancy, the Tenants served a Form N9 Notice terminating the tenancy effective December 31, 2023. In addition, the Tenants provided a Form N11 Agreement to Terminate the Tenancy, reflecting the Landlord's expressed agreement to end the tenancy on November 30, 2023, which was never signed by the Landlord.
6. The Landlord did not attend the hearing and did not submit any evidence. As a result, the Tenants' testimony and documentary evidence were uncontested and are accepted by the Board.
7. I find that the Landlord's November 6, 2023 communication constitutes an agreement to terminate the tenancy by mutual consent. Pursuant to section 37(3) of the *Residential Tenancies Act, 2006* (the 'Act'), a tenancy may be terminated in accordance with an agreement between the landlord and the tenant. The agreement to terminate the tenancy, as reflected in the Landlord's written communication and the Tenants' provision of a Form N9 and N11, are consistent with and permitted under the Act.
8. The Tenants testified, and the tenancy agreement confirms, that the Landlord required a payment of \$14,000.00, consisting of first month's rent, a last month's rent deposit, and three months of rent paid in advance. The Tenants provided documentary evidence confirming that this amount was paid to the Landlord by e-transfer on September 19, 2023. The monthly rent under the tenancy was \$2,800.00. The Tenants also paid a key deposit of \$500.00 on September 20, 2023.
9. The Tenants submitted documentary evidence confirming that they paid the Landlord \$2,800.00 by e-transfer for rent for November 2023.
10. The Tenants testified that all keys to the rental unit were returned to the Landlord upon vacating the unit. There was no evidence that the keys were lost, damaged, or not returned.
11. I also find that the Landlord collected charges that are not permitted under the Act. Pursuant to section 106(2) of the Act, a rent deposit shall not exceed the amount of rent for one rent period or one month. The Landlord's requirement that the Tenants pay three months of rent in advance, in addition to a last month's rent deposit, exceeds the amount permitted under the Act and therefore constitutes an illegal charge.

12. With respect to the key deposit, the Act permits a landlord to collect a deposit only to cover the cost of replacing lost keys. As the Tenants returned all keys to the Landlord, and there was no evidence that the keys required replacement, the Tenants are entitled to the full return of the \$500.00 key deposit.

It is ordered that:

1. The tenancy between the Landlord and the Tenants terminated December 31, 2023, the date indicated on the N9 Notice to Terminate the tenancy.
2. The total amount the Landlord shall pay the Tenants is \$8,948.00. This amount represents:
 - \$8,900.00 for the illegal charges collected.
 - \$48.00 for the cost of filing the application.
3. The Landlord shall pay the Tenants the full amount owing by February 21, 2026.
4. If the Landlord does not pay the Tenants 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.
5. The Tenants have the right, at any time, to collect the full amount owing or any balance outstanding under this order.

February 10, 2026
Date Issued

Christina Philp
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.