



**Order under Section 135
Residential Tenancies Act, 2006**

File Number: LTB-T-064769-25

In the matter of: 7 BEECHWOOD DR
Peterborough ON K9J1M2

Between: Kari O'Grady Tenant
William Turner

And

Vajid Holdings Inc Landlord

Kari O'Grady and William Turner (the 'Tenant') applied for an order determining that Vajid Holdings Inc (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on January 22, 2026.

The Landlord's Legal Representative, Ali Golabgir, and the Tenant attended the hearing.

Determinations:

1. The parties agreed to terminate the tenancy by way of a "cash for keys" agreement. They subsequently signed an N11 Agreement to End the Tenancy on effective September 30, 2024. Among other terms, the Landlord agreed to pay utilities to the termination date. It also indicated that the Tenant's rental deposit would be applied to the last month of the tenancy. The Tenant claims that the Landlord unlawfully collected and/or retained interest owing on the rental deposit, and did not pay them for the utilities that the Landlord agreed to in the termination agreement.
2. As explained below, the Tenant proved that the Landlord unlawfully retained interest owing on the last month's rent deposit. Therefore, the Landlord shall pay to the Tenant \$258.52. The Tenant did not prove the allegations in relation to the utilities.

Failure to Reimburse Tenant for Utilities:

3. The Tenant testified that the Landlord had collected an illegal charge when the Landlord did not reimburse the Tenant for \$171.47 that they paid to the Peterborough Utility Group (PUG), despite that the Landlord agreed to do so in their accordance with the N11 Agreement.

4. The Landlord testified that they did not collect or retain an illegal charge as the Tenant paid an amount to the PUG not to the Landlord. The Landlord stated that as they did not collect anything, the proper application would be a T2 not a T1 and the Tenant did not seek to amend their application.
5. I am not satisfied that the Tenant has established that the Landlord illegally collected or charged an amount to the Tenant as no money was paid to the Landlord. As the Landlord did not collect a charge, this claim must be dismissed.

Interest on Rent Deposit Owing:

6. The Tenant testified that the Landlord never paid interest on the last month rent deposit of \$1,400 that was collected and retained on January 15, 2018.
7. The Landlord testified that they do not need to pay interest as the N11 Agreement, which required the Landlord to pay to the Tenant \$9,000.00 in return for vacant possession, addressed the rent deposit and included a release clause.
8. The settlement agreement indicated that the rental deposit would be applied to the last month of the tenancy, but did not address interest owing on the deposit. It also contained the following release clause:

The Parties hereby fully release, acquit, and forever discharge the other, without qualification or limitations: from all manners of actions, causes of action, suits, debts, dues, accounts, bonds, covenants, contract, complaints, claims and demands, monies, losses, indemnity, costs, interest in loss, or injuries howsoever arising which hereto may have been or may hereafter be sustained by the Other Party as a consequence of tenancy relationship at 7 Beechwood Dr. in Peterborough, Ontario."

9. The Tenant testified that they did not agree to forego their right to interest from their rent deposit and noted that the clause applied to the last month rent deposit and that they did not think to include a specific clause about receiving payment for the interest as the agreement was negotiated and signed within 2 weeks.
10. The agreement's release clause is very broad, and purports to absolve the parties of any liability for conduct taking place after the agreement is executed. Despite the breadth of the clause, I am not satisfied that there was a meeting of the parties' minds that each could breach the terms of the tenancy or Act without incurring any liability once the agreement had been executed. I do not think the Landlord was agreeing that the clause would prevent them from bringing an application if the Tenant caused significant damage to the unit before vacating. Nor do I agree that the Tenant would have been agreeing that the Landlord could illegally enter the rental unit with the Tenant having no recourse.
11. I find it more likely than not that the parties did not turn their minds to the issue of interest on the rent deposit and, notwithstanding the very broad terms of the agreement's release clause, I find that there was no meeting of the minds regarding the unpaid interest. In any event, the payment of interest is required by the Act, and parties cannot contract out of the Act's terms. If the Landlord wished to compensate the Tenant \$9,000.00 minus the deposit

interest that they owed the Tenant, they could have made that clear according to the terms of the agreement. They did not, and as a result I am satisfied that the Landlord unlawfully retained the interest owing on the rent deposit.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$258.52. This amount represents:
 - \$210.52 for interest on the last month's rent deposit.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenant the full amount owing by March 17, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by March 17, 2026, the Landlord will owe interest. This will be simple interest calculated from March 18, 2026 at 4.00% annually on the balance outstanding.

March 6, 2026
Date Issued

Allana McComb
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.