



Order under Section 135 Residential Tenancies Act, 2006

Citation: Guerroud v Marchese, 2026 ONLTB 17819

Date: 2026-03-17

File Number: LTB-T-056174-25

In the matter of: 186 LAKE SHORE DR
TORONTO ON M8V2A9

Between: Mohammed Guerroud Tenant

And

Tony John Paul Marchese Landlord

Mohammed Guerroud (the 'Tenant') applied for an order determining that Tony John Paul Marchese (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on February 24, 2026.

The Landlord, the Landlord's representative, Avital Altman, and the Tenant attended the hearing.

Determinations:

Preliminary Issue

Adjournment request

1. At the outset, the Landlord's representative requested an adjournment because the Tenant had served twenty-nine pages of documents at 11:00 p.m. the day before the hearing. As such, neither the Landlord's representative nor the Landlord had had an opportunity to review and respond to the Tenant's evidence.
2. The Tenant did not dispute that he served his disclosure on the Landlord less than twenty-four hours before the hearing.
3. The Landlord's representative admitted, however, that the Landlord's disclosure was only served on the Tenant two days before the hearing. She stated that it was not possible to serve the Landlord's disclosure earlier because she was still awaiting documents from the Landlord, despite being retained two months ago.
4. The Board's Rule 19 provides as follows:

19.1 Unless the LTB has directed or ordered otherwise, all parties to a matter that has been scheduled for a CMH or a hearing must provide the other parties

and the LTB with a copy of all documents, pictures and other evidence that the party intends to rely upon at least 7 days before the CMH or hearing . The evidence must be provided to the other parties using one of the methods of service identified in the RTA or Rule 3.

19.2 Where a party has provided evidence in accordance with Rule 19.1, the other parties must provide any responding documents, pictures and other evidence that the party intends to rely upon to the other parties and the LTB at least 5 days before the scheduled CMH or hearing.

19.7 A party who fails to comply with Rule 19 or an order or direction for disclosure may not rely on the evidence that was not disclosed as directed or ordered, unless otherwise ordered.

5. Given that neither party provided reasonable explanations as to why they had not complied with the disclosure deadlines set out in the Board's Rule 19, the Tenant was asked:
 - a) If he consented to the Landlord's request to adjourn the hearing, in which case all parties would be able to rely on their disclosure at the next hearing, or
 - b) If he wanted to proceed with the hearing, in which case neither party would be permitted to rely on any disclosure filed outside of the disclosure deadlines set out in the Board's Rule 19.
6. The Tenant elected to proceed with the hearing of the application. As such, I exercised my discretion to deny the Landlord's request for an adjournment and advised the parties that they could not rely on any disclosure filed outside of the disclosure deadlines set out in the Board's Rule 19.

The application

7. As explained below, the Tenant did not prove the allegations contained in the application on a balance of probabilities. Therefore, the application is dismissed.

Background

8. The tenancy commenced on November 1, 2024 for a term of one year. In or around February 2025, the Tenant asked the Landlord if he could terminate the lease early because he was reconciling with his spouse. The Landlord did not object to terminating the tenancy early on April 30, 2025 (i.e. sixty days' notice) as long as:
 - a) the Tenant continued to pay rent until a new tenant moved into the unit; and
 - b) the Tenant paid any out-of-pocket advertising expenses the Landlord incurred in trying to secure a new lease.
9. The Tenant agreed to the Landlord's conditions for early termination of the lease, believing that sixty days' notice was sufficient time to secure a new tenant.

10. It is undisputed that:
 - the unit was advertised for rent on Facebook Market Place (free advertising), as well as two or three other paid platforms;
 - the Tenant paid the Landlord \$147.93 for advertising costs;
 - the unit was lease to a new tenant on August 1, 2025.
11. The Tenant's position is that a new tenant was not secured within sixty days because first, the Landlord initially asked for too much rent (i.e. \$1,800.00) and second, the Landlord took twenty-one days before advertising the unit for rent, instead of posting an advertisement immediately. The Landlord also refused to allow the Tenant to sublet the unit to a family of three (i.e. parents and a four-year old child). On this basis, the Tenant believes that he is not responsible for any rent after April 30, 2025.
12. The Landlord testified that he immediately posted the unit on Facebook Market Place (i.e. the platform from which he obtained the Tenant) at the current market rent for a one-bedroom unit (i.e. \$1,800.00). However, because there was a downturn in the market (i.e. not as competitive), he had to keep lowering the rent price in order to secure a new tenant (i.e. \$1,700.00, \$1,625.00, etc.). His new tenant pays \$1,400.00 per month in rent for the Tenant's unit which is \$200.00 less than the Tenant had been paying. The Landlord's position is that the Tenant is responsible for rent up to July 31, 2025.
13. The Landlord denies that he refused to allow the Tenant to sublet, stating that he asked the Tenant to forward any interested applicants to the Landlord for vetting. He stated that the Tenant emailed him on April 24, 2025 asking that he be allowed to sublet the unit to a family of five, not three, which request the Landlord denied because the one-bedroom unit was too small.

Analysis

14. Section 47 of the *Residential Tenancies Act, 2006* (the '*Act*') states "a tenant may terminate a tenancy at the end of a period of the tenancy or at the end of the term of a tenancy for a fixed by giving notice of termination in accordance with section 44.
15. Section 44(4) of the *Act* states that a period of notice for a fixed term tenancy shall be given at least 60 days before the date the termination is specified to be effective and that date shall be on the last day of a yearly period on which the tenancy is based.
16. It is undisputed that less than four months into a twelve-month tenancy, the Tenant requested early termination of the lease and that the Landlord was prepared to terminate the tenancy on the condition that a new tenant be secured.
17. It is undisputed that the Tenant ended his tenancy six months prior to the termination date specified in the fixed term lease agreement. As such the Tenant has breached section 88(1) of the *Act* which states:

If a tenant abandons or vacates a rental unit without giving notice of termination in accordance with this Act and no agreement to terminate has been made or the

landlord has not given notice to terminate the tenancy, a determination on the amount of arrears of rent owing by the tenant shall be made in accordance with the following rules:

1. If the tenant vacated the rental unit after giving notice that was not in accordance with this Act, arrears of rent are owing for the period that ends on the earliest termination date that could have been specified in the notice, and the notice been given in accordance with section 47, 96, or 145, as the case may be.
18. Section 88(3) of the Act provides that if a Landlord rents the unit to a new tenant, the Tenant's liability for rent ends on the date the new tenant took possession of the unit. Given that it is undisputed that the unit was leased to a new tenant as of August 1, 2025, I am satisfied that the Tenant was liable for rent up to July 31, 2025.
19. However, section 88(4) of the Act also states that I must consider whether or not the Landlord took reasonable steps to minimize losses in accordance with section 16 of the Act.
20. Based on the evidence before me, I am not persuaded that the Landlord did not take reasonable steps to find a new Tenant. While the Tenant alleges that the Landlord did not know that landlords could advertise for free on Facebook marketplace, the Tenant did not challenge the Landlord's evidence that the Tenant himself had responded to the Landlord's advertisement on Facebook marketplace. This leads me to conclude that the Landlord was familiar with sourcing tenants through Facebook marketplace. As such, I prefer the Landlord's evidence that he immediately placed an ad for the unit on Facebook marketplace. I find the Landlord's evidence credible that when he was not having luck sourcing a new tenant through Facebook marketplace, he started advertising the unit on several paid platforms.
21. While the Tenant alleges that the reason the Landlord could not find a new tenant was because he was charging too much rent, the Tenant did not challenge the Landlord's evidence that \$1,800.00 was the then market rent for a one-bedroom unit. I find that the Landlord's actions in continuing to reduce the amount of rent requested as time progressed constitutes a continued effort to try to secure a new tenant.
22. Lastly, while the parties disagree about whether the family recommended by the Tenant was comprised of three or five individuals, there is no evidence before me that the Landlord refused to properly vet possible new tenants suggested by the Tenant.

Last Month's Rent deposit

23. Subsection 106(10) of the Act requires a landlord to apply a rent deposit that a tenant has paid to the landlord in payment of rent for the last rent period before the tenancy terminates. Given that the Tenant admitted that he did not pay any rent to the Landlord after April 30, 2025 and I have found that the Tenant is liable for rent up to and including July 31, 2025, I am satisfied that the Landlord was entitled to apply the last months' rent deposit for the month of May 2025.
24. Therefore, I find that the Landlord did not illegally retain the Tenant's rent deposit.

Illegal charge collected

25. The Tenant alleges that he paid an illegal charge (i.e. rent for April 2025) because the Landlord already held a last months' rent deposit which should have been applied for the month of April 2025.
26. Given that I have determined that the Tenant was liable for rent up to and including July 31, 2025 and that the Landlord was entitled to apply the last months' rent deposit for the month of May 2025, I find that the Landlord did not collect a charge which is not allowed by the *Residential Tenancies Act, 2006* (the 'Act'). The Landlord was entitled to collect rent from the Tenant for April 2025.

Interest on rent deposit owing

28. Section 106(6) of the Act provides as follows:

A landlord of a rental unit shall pay interest to the tenant annually on the amount of the rent deposit at a rate equal to the guideline determined under section 120 that is in effect at the time payment becomes due.

27. It is undisputed that the Tenant vacated the unit after six months. As such, I find that the Landlord did not fail to pay the Tenant interest on the last month's rent deposit, as required by the *Residential Tenancies Act, 2006* (the 'Act'), which interest is only required to be paid annually.
28. The Tenant's application is therefore dismissed.

It is ordered that:

1. The Tenant's application is dismissed.

March 17, 2026
Date Issued

Karen Gonçalves
Member, Landlord and Tenant Board

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