



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-059610-25

In the matter of: 141 LOON AVE
BARRIE ON L4N8X2

Between: Rossana Yepez Tenants
Roxana Zambrano

And

10357863 Canada Inc Landlord

Rossana Yepez and Roxana Zambrano (the 'Tenant') applied for an order determining that 10357863 Canada Inc (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on February 26, 2026.

Only the Tenants attended the hearing.

As of 10:19a.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 Tenant's evidence.

Determinations:

1. As explained below, the Tenants have proved the allegations contained in the application on a balance of probabilities. Therefore, the Tenants will be awarded the return of their last month's rent deposit.
2. The basis of the Tenants application is that the landlord did not use their last month's rent deposit to pay for the last rental period of the tenancy and the Landlord did not return the deposit to the Tenants.
3. The tenancy between the parties was a one-year fixed term from August 1, 2023, to July 31, 2024. At the commencement of the tenancy, the Tenants paid a rent deposit in the amount of \$2,300.00 to the Landlord. After the fixed term, the tenancy converted into a monthly tenancy.
4. Rossana Yepez (R.Y) testified that the rent increased on August 1, 2024, to \$2,375.50. The Tenants seek a return of half their last month's rent deposit in the amount of

\$1,178.75. I take this to mean that the Landlord paid the interest owing on the Last month rent deposit to match the new rent of \$2,375.50.

5. R.Y also testified that on April 15, 2025, she wrote an email to the Landlord advising that the Tenants will be vacating the rental unit either May 1, 2025, or June 1, 2025, which date the Landlord is able to find a new tenant for the rental unit. The following day, the Landlord responded advising that the termination date would be June 1, 2025. She claimed that the parties agreed to terminate the tenancy for June 1, 2025.
6. R.Y further claimed that on May 7, 2025, the Landlord texted her saying that he has found new tenants who want to move into the rental unit on May 15, 2025, and indicated that he will refund half the rent to the Tenants. The Landlord later texted Y.R saying "*is one week enough time for your transition*", to which Y.R replied "*Yes of course! We'll be out by the 15th, no problem.*" The Landlord then replied "wow, you are fast!". The Tenants position is that the parties initially agreed to terminate the tenancy for June 1, 2025, but then later agreed to terminate the tenancy for May 15, 2025.
7. The Tenants vacated the rental unit on May 14, 2025, and a new tenant moved into the rental unit effective May 15, 2025.
8. The central issue that must be determined is whether the parties agreed to terminate the tenancy.
9. Section 37 of the Act provides that a tenancy may be terminated only in accordance with the Act. Subsection 37(3) of the Act stipulates that a notice of termination need not be given if a landlord and a tenant have agreed to terminate a tenancy.
10. The word "agreed" is not defined in the Act, but the meaning of an agreement is well established in the common law of contract. An agreement is formed when one party communicates an offer to the other, and the offeree communicates its acceptance.
11. I agree with the analysis in *Dadiala v Griffin*, [2001] O.R.H.T.D. No 84, in which the Ontario Rental Housing Tribunal recognized that while a notice of termination under the Act must be in a form prescribed by the Act, an otherwise deficient notice of termination provided by a tenant can support a finding of the existence of an agreement to terminate a tenancy if it is accepted by the landlord. However, the landlord's acceptance must be "unequivocal", and it must also be clear that there is a meeting of the minds.
12. Based on the evidence adduced at the hearing, I am satisfied that there was an agreement between the parties to terminate the tenancy on May 15, 2025. I accept Y.R's uncontested evidence that the parties agreed to terminate the tenancy for this date. A copy of the text message was filed as evidence with the Board and corroborates her claim. The Landlord made inquiries as to whether the parties would be able to vacate for May 15, 2025, and when the Tenants indicated that they would be able to do so, the Landlord responded with "wow you are fast". There was a clear meeting of the minds between the parties that the tenancy would terminate on this date. The Landlord's response also suggests more likely than not, that he accepted the Tenants' response to vacating the rental unit by this date. His acceptance was unequivocal based on the context of the message. The Tenants vacated May 14, 2025. I accept the Tenants' evidence that a new

tenant moved into the rental unit on May 15, 2025. Accordingly, I find that the Tenants' obligation to pay rent ended May 15, 2025, the date the parties had agreed to terminate the tenancy.

13. Subsection 134(1.1) and subsection 135 of the Act are relevant for the purposes of the Tenants' application and they state:

134 (1.1) No landlord shall, directly or indirectly, with respect to any rental unit, collect or require or attempt to collect or require from a former tenant of the rental unit any amount of money purporting to be rent in respect of,
(a) any period after the tenancy has terminated and the tenant has vacated the rental unit; or
(b) any period after the tenant's interest in the tenancy has terminated and the tenant has vacated the rental unit.

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.

14. Pursuant to subsection 106(10) of the Act, the last month's rent deposit is to be applied to the last period of the tenancy – May 2025. Since the rental unit was re-rented for May 15, 2025, and the Tenants also vacated in the middle of May 2025, I find that the Landlord has illegally retained the full last month's rent deposit, in contravention of 134(1.1) (a) of the Act. Thus, I will award the return of half of the last month's rent deposit to the Tenants in the amount of \$1,178.75.
15. The Tenants also incurred costs of \$48.00 for filing the application and are entitled to reimbursement of those costs.
16. The total amount the Landlord owes the Tenants is \$1,226.75 (\$1,178.75 + 48.00). Accordingly, I will order this amount to be paid to the Tenants.
17. This order contains all the reasons for my decision within it. No further reasons shall be issued.

It is ordered that:

1. The total amount the Landlord shall pay the Tenants is \$ 1,226.75. This amount represents half of the last month's rent deposit the cost of filing the application.
2. The Landlord shall pay the Tenants the full amount owing by April 21, 2026.
3. If the Landlord does not pay the Tenants the full amount owing by April 21, 2026, the Landlord will owe interest. This will be simple interest calculated from April 22, 2026, at 4.00% annually on the balance outstanding.

4. The Tenants have the right, at any time, to collect the full amount owing or any balance outstanding under this order.

April 10, 2026
Date Issued

Inderdeep Padda
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.