



Order under Section 130 Residential Tenancies Act, 2006

Citation: Al Asmi v Brar, 2026 ONLTB 28738

Date: 2026-04-09

File Numbers: LTB-T-040857-24

LTB-T-077084-24

In the matter of: B, 614 Montpellier
Waterloo ON N2T0B2

Between: Ahmad Al Asmi
Faten Al Asmi Tenants

And

Parvinder Brar Landlords
Ravinder Mann

Ahmad Al Asmi and Faten Al Asmi (the 'Tenants') applied for a reduction of the rent charged for the rental unit due to a reduction or discontinuance in services or facilities provided in respect of the rental unit or the residential complex ('T3 application')

Ahmad Al Asmi and Faten Al Asmi (the 'Tenants') also applied for an order determining that Parvinder Brar and Ravinder Mann (the 'Landlords') collected or retained money illegally ('T1 application')

This application was heard by videoconference on December 16, 2025. Both Tenants attended the hearing. The Tenant's son Mohamad Al Asmi, who is an occupant, attended the hearing and interpreted on behalf of the Tenants in the Arabic language. The Tenants legal representative Alfred Chinambu attended the hearing. The Landlord Parvinder Brar attended the hearing on behalf of both Landlords and the Landlords legal representative Thamar Abdu attended the hearing. The hearing did not conclude and was adjourned.

This application resumed and was heard by videoconference on March 6, 2026. The Tenant Ahmad Al Asmi attended the hearing on behalf of both Tenants. The Tenant's son Mohamad Al Asmi attended the hearing and interpreted on behalf of the Tenants in the Arabic language. The Tenants legal representative Alfred Chinambu attended the hearing. The Landlord Parvinder Brar attended the hearing on behalf of both Landlords and the Landlords legal representative Thamar Abdu attended the hearing.

Determinations:

Preliminary issue

1. The Landlords states that an L1 order LTB-L-065696-25 was issued on December 16, 2025 which the Landlords intend to rely on some of the facts. The Tenants opposed and state that the facts in that order have no relevance to the T1 and T3 applications.
2. I stated at the hearing that all parties were present at the L1 hearing and that if the Landlords want to rely on facts contained within that order, they must be relevant to the T1 and T3 applications before me and the Tenant would have the opportunity to respond.

T1 application

3. As explained below, the Tenants did not prove the allegations contained in the T1 application on a balance of probabilities. Therefore, the T1 application is dismissed.
4. It is undisputed that The Tenants moved into the rental unit which is a house on October 1, 2018 and they moved out of the rental unit on January 31, 2026.
5. The Tenants filed a T1 application on September 24, 2025. In the T1 application, the Tenants claim an illegal rent increase for the period November 3, 2019 to September 20, 2024. At the hearing, the Tenants requested to amend their T1 application to reflect they are claiming an illegal rent increase for the period September 30, 2023 – September 20, 2024 based on the Tenants paying \$2,500.00 per month to the Landlords during this period. The T1 application is amended to reflect the Tenants are claiming an illegal rent increase for the period September 30, 2023 – September 20, 2024.
6. Two copies of the lease agreement were produced for the hearing, signed by the parties on August 30, 2018. One lease agreement was submitted by the Tenants and a lease agreement was submitted by the Landlords. The monthly rent is noted in both lease agreements as \$1,850.00 per month plus utilities. The Landlords state a second lease agreement was signed by the parties on the same date because the first signed lease agreement was incomplete. The Landlords state the second signed lease agreement notes that the rental unit notes the monthly rent is for unit 1 only and the names of five occupants which are the Tenants family members are noted on this second copy of the lease agreement. The Landlords raise that the L1 order LTB-L-065696-25, issued on December 16, 2025 references that the parties signed a second lease agreement noting unit 1 and the additional occupants. The Tenants do not dispute signing the second lease agreement noting the occupants and that the lease agree stipulates unit 1 only. Therefore, I accept the lease agreement which notes unit 1 only, both Tenants plus five occupants is the actual fixed term lease agreement as it is undisputed that it was signed after the first lease agreement signed by the parties on August 30, 2018.
7. The Tenants state the Landlords increased their monthly rent from \$2,232.00 to \$2,500.00 effective September 3, 2023. The Tenants testified that the monthly rent was due on the thirtieth day of each month but the Tenants paid the monthly rent on the third day of each month. The Landlords state rent is due on the first day of each month as per the lease agreement. The Landlords state the Tenants began paying the rent on the third day of the month which the Landlord accepted each month despite the Landlords never asking that the rent be paid on the third day of each month.

8. The Tenants state they were not provided with 90 days written notice, nor an N1 Notice of Rent Increase. The Tenants state that the Landlords showed up at the rental unit approximately 9-10 days prior to September 3, 2023 and advised the Tenants that they need to start paying \$2,500.00 per month effective September 3, 2023, or the Landlords will throw their belongings out which the Landlord denies.
9. The Tenants stated they started paying the Landlords \$2,500.00 per month on September 3, 2023 and they paid this amount each month up to December 2024. It is the Tenants position that they filed the T1 application within one year of the Landlord illegally increasing and collecting the rent above the guideline.
10. The Landlord state that they never provided the Tenants with any N1 Notices of Rent Increase. The Landlords state that they had a conversation with the Tenants in July 2022 about vacating the rental unit so the Landlords son could move into the rental unit in October 2022. The Landlord state that the Tenants could not find anywhere to move to and they asked the Landlords if they could remain in the rental unit for one additional year which the Landlords agreed to. The Landlords state that they had another conversation with the Tenants in July 2023 about moving out of the rental unit so their son could move in. The Landlords state that the Landlords and the Tenants agreed that the Tenants could remain in the rental unit and that the monthly rent would increase to \$2,500.00 per month on August 1, 2023. The Landlords produced a copy of an electronic funds transfer ('e-transfer') sent to the Landlords from the Tenant Ahmad Al Asmi in the amount of \$2,232.00 on August 3, 2023. The Landlord states the Tenants paid the Landlords the increased monthly rent of \$2,500.00 per month commencing September 3, 2023. The Landlords produced copies of e-transfers from September 3, 2023 to December 3, 2024 sent from Ahmad Al Asmi to the Landlords. The amount paid to the Landlords shows payments in the amount of \$2,500.00 on September 3, 2023, October 3, 2023, and November 4, 2023. After this date, the monthly payment amounts sent to the Landlords by e-transfer fluctuate below \$2,500.00 per month.
11. The Landlords state that the basement of the rental unit was unfinished when the Tenants moved into the rental unit in 2018 and the basement was finished in October 2023. The Landlords state that the basement was then rented out to four female tenants. The Landlords state that they agreed to allow the Tenants to start deducting 30% for the cost of the utilities from the monthly rent paid to the Landlords to compensate for the utilities used by the basement tenants. The Landlords state that the Tenants started deducting the 30% amount for the utilities commencing on December 5, 2023 and this is the reason the amounts e-transferred to the Landlords commencing December 3, 2023 were less than \$2,500.00 because the Tenants had deducted 30% for the utilities from the monthly rent which was undisputed by the Tenants.

Analysis

12. Subsection 116 (1) of the *Residential Tenancies Act, 2006* (the 'Act') stipulates that a landlord shall not increase the rent charged to a tenant for a rental unit without first giving the tenant at least 90 days written notice of the landlord's intention to do so. This section further notes that notice shall be in a form approved by the Board and shall set out the landlord's intention to increase the rent and the amount of the new rent.

13. Subsection 116 (4) stipulates that an increase in rent is void if the landlord has not given the notice required by this section, and the landlord must give a new notice before the landlord can take the increase.
14. Subsection 135 (1) stipulates that a tenant or former tenant of a rental unit may apply to the Landlord and Tenant Board ('LTB') 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 the Act.
15. Subsection 135 (4) of the Act stipulates that the LTB shall not issue an order under section 135 of the Act if the application was filed more than one year after the person collected or retained the money in contravention of the Act.
16. Subsection 135.1 (1) of the Act notes that an increase in rent which would otherwise be void under subsection 116 (4) is deemed not to be void if the tenant has paid the increased rent in respect of each rental period for at least twelve consecutive months.
17. Subsection 136(1) of the Act notes that rent which is charged one or more years earlier shall be deemed to be the lawful rent unless an application is made within one year after the date that amount was first charged and the lawfulness of the rent charged is in issue in the application.
18. I note, in LTB-L-065696-25, the Member determined \$2,500.00 was the lawful monthly rent because the Tenants paid the rent increase, less the amount for utilities for twelve consecutive months. It is undisputed that the Landlords did not serve the Tenants with an N1 Notice of Rent Increase prior to the rent being increased to \$2,500.00 per month. The Tenants testimony and the copy of the e-transfer dated September 3, 2023 support that the Tenants starting paying the Landlords \$2,500.00 for the monthly rent on September 3, 2023. The Tenants testified that they paid \$2,500.00 towards the monthly rent from September 3, 2023 until December 2024. It is undisputed that the Tenants began deducting 30% for the cost of the utilities from the monthly rent of \$2,500.00 in December 2023 after the Landlords started to rent out the basement. Based on this evidence, I find the Tenants began paying the Landlords \$2,500.00 per month for the monthly rent from September 3, 2023 to December 2024.
19. The T1 application was filed on September 25, 2024 which is more than one year since the Tenants started paying the Landlords \$2,500.00 for the monthly rent. Therefore, pursuant to subsection 135 (4) of the Act the Tenants are statute barred from filing the T1 application because it was filed more than one year after the Landlords collected and retained the money.
20. As I have determined that the Tenants paid the increased rent amount of \$2,500.00 for a period of more than twelve consecutive months, the rent increase is deemed not to be void pursuant to s. 135.1 of the Act. Therefore, the Tenants are not entitled to any amounts which they paid to the Landlords for the monthly rent increase.

21. Pursuant to subsection 136 (1), the rent of \$2,500.00 is deemed to be lawful because the Tenants paid the increased rent of \$2,500.00 to the Landlords for a period of more than one year prior to the Tenants filing the T1 application.
22. For the reasons above, the Tenants T1 application is dismissed pursuant to subsections 135 (4), 135.1, and 136 (1) of the Act.

T3 application

Reduction or discontinuance in facilities

23. I am satisfied that the unfinished basement at the residential complex is a facility under the *Residential Tenancies Act, 2006* (the "Act"). The Tenants accessed and utilized the unfinished basement at the residential complex to store some of their belongings from the time they moved into the rental unit on October 1, 2018 until May 30, 2023.
24. The Tenants use of the basement was discontinued as of May 30, 2023, which is less than 12 months before this application was filed. The LTB's records confirm the T3 application was filed on May 10, 2024.
25. The discontinuance of the Tenants use of the unfinished basement was reasonable in the circumstances because the Landlords have the right to renovate the unfinished basement for the purpose of renting it out. However, prior to May 30, 2023, I accept the Tenants evidence that they used the unfinished basement for the storage of items including a fridge, a treadmill, a table and grocery items. I note that the second lease agreement which notes unit 1 and the additional names of the occupants is silent regarding the basement and does not indicate that the Tenants are precluded from utilizing the basement for any purpose. As a result, I find the Tenants are entitled to a \$125.00 per month rent rebate which I find is reasonable for the period of May 30, 2023 - January 31, 2026 for the Landlord discontinuing the Tenants use of the basement for storage.
26. The Tenants state that they moved into the rental unit in 2018 and utilized the basement which was unfinished to store their belongings until May 30, 2023 when the Landlord sent the Tenants a text message on May 4, 2023 which advises the Tenants they need to clear out their items stored in the basement by May 15, 2023. The Tenants state the Landlord then renovated the basement and rented it out to other tenants in September 2023. The Tenants position is the monthly rent paid by the Tenants covered the use of the basement. The Tenants rely on s. 130 of the Act and the Tenants state the Landlord failed to offer a reduction in the monthly rent to the Tenants when the Landlord discontinued the Tenants use of the basement. The Tenants rely on the original lease which they state does not stipulate the unit number or any unit number exemption.
27. The Tenants rely on a thirty-three page document noting the Tenants' statement of facts relating to the timeline of events from when the Tenants moved their belongings out of the basement and the Landlords contractors performed the basement renovations. The disclosure also includes text message correspondence from the Landlords to one of the occupants Maher Al Asmi, and a copy of an L2 application based on an N12 notice. The Landlords objected to the disclosure being admitted for the hearing as it was provided to

the Landlords on February 27, 2026 at 11:31 pm which is just less than 7 days as required by the LTB's Rules of Procedure. The Landlords further submit the March 6, 2026 hearing is a continuation from the last hearing and no documents should be admitted. I allowed the disclosure to be admitted because no evidence was led at the hearing on December 16, 2025 for the T3 application. I find the Landlords have had a sufficient opportunity to review the disclosure and could cross-examine it at the hearing. I find the prejudice to the Tenants by disallowing the disclosure outweighs the prejudice to the Landlords and the onus is on the Tenants to establish their claim as set out in the T3 application on a balance of probabilities.

28. The occupant, Maher Al Asmi testified that the Tenants lost access to the basement on May 30, 2023, the same date noted on the T3 application that the use of the basement was discontinued. He states the Tenants were storing a fridge, a treadmill, and a table in the basement and the Tenants had to move these items from the basement and store some of these items with the neighbours. He states that the Landlords started renovating the unfinished basement in June 2023. He states that the Tenants/occupants would let the Landlords' contract workers into the basement through a sliding patio door which could only be opened from the inside if locked. The Tenants rely on text message correspondence from the Landlords in July 2023 and August 2023 to the Tenants in which the Landlords request the back and side doors to be opened. Maher Al Asmi states this was done so the Landlords contractors could access the basement. He states that renovations were completed in September 2023 which included finished rooms, one washroom, and a kitchen. He states that new tenants moved into the basement on September 18, 2023.
29. The Landlords state that they never agreed to allow the Tenants to store their belongings in the basement which was unfinished and is not compliant with the applicable safety standards. The Landlords further state that the second signed lease agreement notes on page six what services are included in the lawful rent of the rental unit and under "Additional storage space" it is checked off as "No". It was put to the Landlords, how come the Tenants stored items in the basement when the Landlords raise that it was not part of the lease agreement. The Landlords state that the Tenants stored grocery items around the stairs of the basement but the rest of the basement was empty.
30. The Landlords state that they spoke with the Tenants in person at the rental unit in August/September 2022 and advised them that that they need to move their belongings from the basement because the major renovation work could not commence with the Tenants belongings in the basement.
31. The Landlords initially stated that the major renovation work in the basement was completed by May 1, 2023 but on cross examination, the Landlords changed their testimony and stated that 50% of the major renovation work for the basement was completed by May 2023. The Landlords produced copies of receipts for building permits for the City of Waterloo which are dated October 6, 2022. The Landlord produced a copy of the architectural plans submitted to the City of Waterloo for the basement renovation which are dated October 28, 2022. The Landlords produced copies of receipts for drywall and insulation dated March 1, 2023 and the Landlords state that the contractors started the

framing on March 10, 2023 and an invoice for the framing dated March 20, 2023 was produced. The Landlord states the vent work commenced in April 2023.

32. It was put to the Landlords why they sent a text message to the Tenants dated May 4, 2023 which was produced for the hearing and notes that the Landlords are starting work on the side door by May 15, 2023 and the Landlords request the Tenants move their belongings. The Landlords stated that the text message was sent to the Tenants because the Landlords wanted to install a fire rated door in the basement and because the Landlords were not at the rental unit, they wanted to ensure the Tenants did not have any items stored in the basement which may interfere with the installation of the door.
33. The Tenants sent a text message to the Landlords dated June 3, 2023 which was produced for the hearing. The Landlords explained that the text message notes the Tenants paid \$108.20 for shelves to store their items in the garage and that the Tenants sent the invoice to the Landlords because the Landlords agreed the amount could be deducted from their rent.
34. The Landlords position is that the T3 application should be dismissed pursuant to subsection 130(5) of the Act because it was filed more than one year since the use of the basement for storage was discontinued.

Analysis

35. I determined in my findings related to the T1 application that the second lease agreement is the valid lease agreement. While the second lease agreement notes that the Tenants are renting unit 1 and that additional storage space is not included in the monthly rent, the lease agreement is silent regarding the usage of the basement. I find this supports that the Tenants were not precluded by the valid second lease agreement from being able to store items in the basement and it is undisputed that the basement was unfinished when the Tenants moved into the rental unit.
36. The Landlords testified that they spoke to the Tenants in August/September 2022 and advised them that they need to remove their belongings from the basement. I find this supports that the Landlords allowed the Tenants to store some of their belongings in the basement up to this point. However, the Landlords did not lead evidence to establish what actual date the Landlords required the Tenants to remove their belongs from the basement.
37. I prefer the Tenants evidence that the date in which they were no longer able to store their items in the basement was May 30, 2023. I find the text message dated May 4, 2023 from the Landlords to the Tenants supports that the Tenants likely had items stored in the basement at this time and that the Landlords were requesting they remove them prior to the installation of a door which the Landlords testified to. I am not persuaded by the Landlords testimony that because the Landlords were not at the rental unit, they wanted to ensure there were no items being stored in the basement by the Tenants. The May 4, 2023 text message references a discussion between the Landlords and the Tenants and that text message after the discussion clearly requests the Tenants to "please clear your stuff". I find this supports that the Tenants had items stored in the basement at this time. I

find the June 3, 2023 text message and the Landlords testimony supports that the Landlords agreed to allow the Tenants to store items previously stored in the basement to then be stored in the garage and the costs for the shelving purchased by the Tenants could be deducted from the rent. Based on this evidence, I find the Tenants complied with the requirement set out within subsection 130(5) of the Act which requires the T3 application to be filed within 12 months of the discontinuance of the Tenants being able to store items in the basement and that this was discontinued on May 30, 2023. The LTB's records confirm the T3 application was filed on May 10, 2024.

38. The Landlords also referenced the Tenants had grocery items stored around the stairs, but the Landlord provided no dates when these items were still being stored in the basement. The Landlords produced an invoice for the completion of the framing for the basement dated March 20, 2023. The other invoices produced by the Landlords only note the dates that materials were purchased. I find this is not helpful in establishing when other parts of the renovation work were completed.
39. I do not find the Landlords testimony to be credible regarding when the major renovation work was completed. This is because the Landlords initially testified that the major renovation work for the basement was completed by May 1, 2023 and then on cross-examination the Landlords stated that only 50% of the work was completed by May 2023 but no exact date specified. A text message dated July 19, 2023 produced by the Tenants notes correspondence from the Landlords to the Tenants which requests the Tenants move their vehicle because a concrete truck is coming and requests that the Tenants open up the back door. The Tenants respond by inquiring if the Landlords are requesting the basement door be opened and the Landlords respond "ok". I find this evidence supports that major renovation work was still ongoing in the basement as of July 19, 2023 due to a concrete truck showing up on this date and access to the basement was required.
40. The rent is reduced to \$2,375.00 starting May 30, 2023, the day that the discontinuance of the basement first occurred and the reduction in rent is up until January 31, 2026, the date the Tenants moved out of the rental unit. I have found the discontinuance of the unfinished basement was reasonable. The Tenants are therefore entitled to a total rent rebate in the amount of \$4,000.00 (\$125.00 per month x 32 months for the period May 30, 2023 - January 31, 2026). I find the amount for the rent rebate to be reasonable as it factors in an amount for the reasonable cost the Tenants would have had to pay if they chose to pay for storage for their few items including a fridge, a treadmill, a table, and grocery items which they were discontinued from storing in the basement. They were no other items mentioned that the Tenants had been storing in the basement.
41. In LTB-L-065696-25, a determination was made that there are amounts owing for the rent arrears. The amount of \$4,000.00 for the rebate of rent for this T3 application is to be applied as offset towards the arrears owing in LTB-L-065696-25. I rely on subsection 204(1) of the Act in awarding this amount as offset.
42. The Tenants paid \$53.00 for filing this application and are entitled to be reimbursed for this cost.

Landlords request for costs

43. The Landlords request costs in the amount of \$700.00 and state that there was no basis for the Tenants filing the T1 application and the T3 application as the Tenants filed both applications beyond the one-year statutory limitation period.
44. The Tenants disagree the applications were not filed within the one-year statutory limitation period.
45. I determine that the Landlord is not entitled to claimed costs. The Tenants filed the T1 application on September 25, 2024 and I determined the T1 application was statute barred. The L1 order LTB-L-065696-25 was issued on December 16, 2025 which was after the T1 application was filed. In LTB-L-065696-25, determinations were made regarding the lawful monthly rent being \$2,500.00 as the Tenants paid it for more than twelve months. I also note that LTB-L-065696-25 was issued on the same day the T1 application was heard and as a result, it would be reasonable that the Tenants prepared their submissions for the T1 application prior to the issuance of LTB-L-065696-25. The Tenants stated at the hearing of the T1 application that it is their position the T1 application was filed within 12 months of the date the Landlords collected the illegal rent increase. I determined at the hearing that this was not the case. Therefore, I do not find it appropriate to award costs to the Landlords as it relates to the T1 application because the Tenants believed the T1 application was not statute barred.
46. The Tenant was successful on the T3 application. I determined the T3 application was filed within 12 months of the unfinished basement being discontinued by the Landlords. I determined the Tenants are entitled to a rent rebate based on the monthly rent collected by the Landlords from May 30, 2023. Therefore, I do not find the Landlords are entitled to costs for the T3 application.

It is ordered that:

1. The T1 application is dismissed.

T3 application

2. The lawful monthly rent effective May 30, 2023 is reduced to \$2,375.00.
3. The Landlords owe the Tenants a total of \$4,000.00 for the rent rebate.
4. The total amount the Landlords shall pay the Tenants is \$4,053.00. This amount represents:
 - \$4,000.00 for a rent rebate for the period from May 30, 2023 - January 31, 2026. This is based on \$125.00 per month x 32 months from May 30, 2023 - January 31, 2026)
 - \$53.00 for the cost of filing the application.

5. The amount of \$4,000.00 for the rent rebate for the T3 application is to be applied as offset towards the arrears owing in LTB-L-065696-25.
6. If the Tenants have paid the Landlords the full amount of arrears owing in LTB-L-065696-25, then the Landlords shall pay the Tenants the full amount owing by May 9, 2026. If the Landlords do not pay the Tenants the full amount owing by April 20, 2026, the Landlords will owe interest. This will be simple interest calculated from April 21, 2026 at 4.00% annually on the balance outstanding.
7. The Tenants have the right, at any time, to collect the full amount owing or any balance outstanding under this order.

April 9, 2026
Date Issued

Kimberly Parish
Vice Chair, Landlords 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.