



Order under Section 135 Residential Tenancies Act, 2006

Citation: Velusamy v Schneider, 2026 ONLTB 30613

Date: 2026-04-15

File Number: LTB-T-072715-25

In the matter of: 43 GORT AVE
ETOBICOKE ON M8W3Y7

Between: Arul Aadithyan Velusamy Tenant

And

Krista Monika G Schneider Landlord

Arul Aadithyan Velusamy (the 'Tenant') applied for an order determining that Krista Monika G Schneider (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on March 19, 2026.

The Tenant's Legal Representative, Manpreet Kaur, and the Landlord attended the hearing.

Determinations:

1. As explained below, the Tenant proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must pay the Tenant \$348.00.
2. Section 105 and 106 of the *Residential Tenancies Act* (2006) (the 'Act') state that the only security deposit a landlord may lawfully collect is a rent deposit equal to one month's rent, which must be applied to the last month of the tenancy.
3. Section 134(1)(a) of the Act explicitly prohibits landlords from collecting or attempting to collect any fee, premium, commission, bonus, penalty, key deposit, or similar amount, whether refundable or not, unless otherwise prescribed.
4. Section 135 of the Act permits a tenant or former tenant to apply to the Board for an order requiring the landlord, superintendent, or agent of the landlord to return any money that was unlawfully collected or retained.
5. It was undisputed that the Landlord collected a damage deposit \$300.00 from the Tenant at the start of the tenancy. This deposit was collected in addition to the first month's rent and the last month's rent deposit. As section 105 of the Act permits only a last month's rent deposit, the collection of this damage deposit is contrary to the Act and constitutes an illegal charge. The Landlord must return this money to the Tenant.

6. The Landlord argued that because she resides in the basement and therefore lives in the same building as the Tenant, the relationship between herself and the Tenant is exempt from the Act, pursuant to section 5(1).

7. Section 5(i) of the Act states:

5 This Act does not apply with respect to,

(i) living accommodation whose occupant or occupants are required to share a bathroom or kitchen facility with the owner, the owner's spouse, child or parent or the spouse's child or parent, and where the owner, spouse, child or parent lives in the building in which the living accommodation is located;

8. The Landlord testified that she lives in a self-contained basement unit, while the Tenant rented a single room on the main floor. The Landlord has her own kitchen and bathroom in the basement, but she also has access to the kitchen and bathroom on the main floor. She believed that because she could access these main-floor facilities, she was sharing them with the Tenant, and therefore the rental unit should be exempt from the Act.

9. As explained at the hearing, section 5(i) applies only when a tenant is required to share a kitchen or bathroom with the landlord. In this case, the Tenant was not required to share either facility because the Landlord occupied a fully self-contained basement unit with her own kitchen and bathroom. Although the Landlord had access to the main floor kitchen and bathroom, this did not create a mandatory sharing arrangement. As a result, the Act governs the tenancy. The Landlord acknowledged and accepted this explanation. [Emphasis Added]

10. Based on the evidence of the parties, I am satisfied on a balance of probabilities that the Landlord collected a charge which is not allowed by the Act.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$348.00. This amount represents:

- \$300.00 for the illegal charge collected.
- \$48.00 for the cost of filing the application.

2. The Landlord shall pay the Tenant the full amount owing by April 26, 2026.

3. If the Landlord does not pay the Tenant the full amount owing by April 26, 2026, the Landlord will owe interest. This will be simple interest calculated from April 27, 2026 at 4.00% annually on the balance outstanding.

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

April 15, 2026
Date Issued

Susan Priest
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.