



Order under Section 135 Residential Tenancies Act, 2006

Citation: Egan v Thompson, 2026 ONLTB 31158

Date: 2026-04-22

File Number: LTB-T-090215-25

In the matter of: BASEMENT, 9 ANDRIANA CRES
MARKHAM ON L6B0E1

Between: Jake Egan Tenant

And

THOMAS THOMPSON Landlords
NADINE THOMPSON

Jake Egan (the 'Tenant') applied for an order determining that THOMAS THOMPSON and NADINE THOMPSON (the 'Landlords') collected or retained money illegally.

This application was heard by videoconference on April 14, 2026.

The Tenant and Thomas Thompson, who appeared on behalf of both Landlords, attended the hearing.

Determinations:

1. As explained below, I am satisfied the Landlords have retained money illegally.
2. The tenancy commenced on December 1, 2022. The Tenant paid the Landlords \$100.00 for a key deposit and \$1,480.00 as a last month's rent deposit ('LMR') on November 30, 2022.
3. On March 3, 2025, the Landlords served the Tenant with an N4 Notice for non-payment of rent with a termination date of March 17, 2025. The amount of arrears alleged owing was \$1,711.00.
4. The Tenant vacated the rental unit on March 15, 2025. The Landlords have failed to return the last month's rent deposit and the key deposit and have not paid the Tenant interest owing on the last month's rent deposit. These facts are not in dispute.
5. Subsection 17(3) of Ontario Regulation 516/06 supports the premise that refundable deposits for keys are allowed but are to be refunded upon the return of the keys in question. The Landlords did not challenge the Tenant's evidence that he

returned the key to Landlord Thomas Thompson on March 15, 2025. As such, the Landlords shall be ordered to reimburse the Tenant \$100.00 for the key deposit.

6. As the Landlords gave the Tenant a N4 notice on March 3, 2025, the Tenant was not obligated to provide notice to terminate the tenancy. The tenancy would be determined to have ended on March 15, 2025, the date the Tenant gave vacation possession to the Landlords. Given this, the Tenant's obligation to pay rent ended on March 15, 2025 when the tenancy ended.
7. Daily compensation is \$48.66, which is calculated as follows: $(\$1,480.00 \times 12/365)$. Based on this, the Tenant would have owed the Landlord \$729.90 in rent from March 1 – 15, 2025 $(15 \text{ days} \times \$48.66)$.
8. Subsection 106(10) of the Act requires a landlord to apply a rent deposit to payment of the rent for the last rent period before the tenancy terminates. What this means is that a landlord is not entitled to retain a deposit for damages, as claimed by the Landlords. The Landlords shall be ordered to pay the Tenant \$750.10, which represents the balance owing on the last month's rent deposit $(\$1,480.00 - \$729.90)$.
9. The Landlords shall also be ordered to pay the Tenant \$84.73 for interest owing on the last month's rent deposit as required by s. 106(6) of the Act.
10. The Tenant incurred costs of \$48.00 for the application filing fee and is entitled to reimbursement of these costs.

It is ordered that:

1. The total amount the Landlords shall pay the Tenant is **\$982.83**. This amount represents:
 - \$100.00 for the illegal key deposit collected.
 - \$750.10 for the balance of the LMR.
 - \$84.73 for interest on the last month's rent deposit.
 - \$48.00 for the cost of filing the application.
2. The Landlords shall pay the Tenant the full amount owing by May 3, 2026.
3. If the Landlords do not pay the Tenant the full amount owing by May 3, 2026, the Landlord will owe interest. This will be simple interest calculated from May 4, 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 22, 2026
Date Issued

Vanessa Davies
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.