



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-000402-26

In the matter of: 89 MOSSBANK DR
SCARBOROUGH ON M1G2C4

Between: Lovepreet Kaur Tenant

And

Jacob Thomas Landlord

Lovepreet Kaur (the 'Tenant') applied for an order determining that Jacob Thomas (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on April 20, 2026.

Only the Tenant attended the hearing.

As of 9:55 a.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 Tenant proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must pay to the Tenant \$198.00 which represents a return of the unlawfully retained deposit collected and the costs of filing this application.
2. The Tenant testified that on October 1, 2024, she paid a key deposit of \$150.00 to the Landlord which was unlawfully collected and retained by the Landlord. A copy of the lease agreement was entered into evidence which states

The Tenant agrees to pay a refundable key deposit of \$150.00. This deposit is intended to cover any costs related to property damage, furniture, or utility clearing, should the property not be returned in the same condition at the end of the tenancy. The deposit may also be used to cover the cost of clearing utilities if applicable.

3. The Tenant testified that despite paying the key deposit, she was never provided any keys to the rental unit.

4. The Tenant testified she moved out of the rental unit on December 31, 2025 but that the deposit was not returned to the Tenant.

Analysis

5. Section 105 of the *Residential Tenancies Act, 2006* (the 'Act') states "the only security deposit that a landlord may collect is a rent deposit collected in accordance with section 106." Section 106 states that a landlord may collect a rent deposit on or before entering into the tenancy agreement in the lesser amount of one rent period or amount of rent for one month.
6. Section 202 of the Act states that in making findings on an application, the Board shall ascertain the real substance of all transactions and activities and the good faith of the participants.
7. Given the Tenant's uncontested testimony that she paid the deposit but was never provided keys and the description in the lease agreement, namely that the deposit "is intended to cover any costs related to property damage, furniture, or utility clearing...", I find that it is more likely that this amount was an unlawful security deposit that was not a last month's rent deposit nor was it a key deposit.
8. Further, even if I am wrong in this, section 134 of the Act states that a landlord may not collect or require or attempt to collect or require from a tenant, prospective tenant or former tenant of the rental unit a fee, premium, bonus, penalty, key deposit or other like amount of money whether or not the money is refundable.
9. Section 17 of *Ontario Regulation 516/06* under the Act provides for the following exceptions to the prohibition of key deposit charges in s. 134:
 1. Payment for additional keys, remote entry devices or cards requested by the tenant, not greater than the direct costs.
 2. Payment for replacement keys, remote entry devices or cards, not greater than the direct replacement costs, unless the replacement keys, remote entry devices or cards are required because the landlord, on the landlord's initiative, changed the locks.
 3. **Payment of a refundable key, remote entry device or card deposit, not greater than the expected direct replacement costs [emphasis added].**
10. Even if I were to find that the amount was a key deposit, given the Tenant's testimony that no actual keys were ever provided to the Tenant for the rental unit and the Landlord was not present to testify about the alleged costs of replacement keys, I find that the rental deposit of \$150.00 exceeds the direct replacement cost of any keys.
11. As the deposit collected was collected contrary to sections 134 and 135 of the Act and does not fall within any of the exceptions contained in section 17 of *Ontario Regulation 516/06*, I find that this deposit was unlawfully collected and retained by the Landlord.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is 198.00. This amount represents:
 - \$150.00 for the last month's rent deposit.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenant the full amount owing by May 8, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by May 8, 2026, the Landlord will owe interest. This will be simple interest calculated from May 9, 2026 at 4.00% annually on the balance outstanding.

April 27, 2026
Date Issued

Christopher Lin
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.