



Order under Section 98 Residential Tenancies Act, 2006

Citation: Farhad v Ferenc, 2026 ONLTB 32967

Date: 2026-04-29

File Number: LTB-T-100345-25

In the matter of: BASEMENT, 226 TERRAVIEW CRES
GUELPH ON N1G5A9

Between: Hoodad Farhad Tenant

And

Laslo Ferenc Landlord

Hoodad Farhad (the 'Tenant') applied for an order determining that Laslo Ferenc (the 'Landlord') arbitrarily or unreasonably withheld consent to the assignment or sublet of the rental unit to a potential assignee or subtenant.

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

The Tenant, the Landlord, and the Landlord's representative Kelly Hawkes attended the hearing.

Reasons:

Overview

1. This application concerns a tenant who wanted to end his lease early. The *Residential Tenancies Act, 2006* (RTA) provides a straightforward process for tenants to end their leases early. In this case, unfortunately, the Tenant did not follow the correct process.
2. Instead, the Tenant sent the Landlord a series of vague and confusing requests. The Landlord did not agree to the requests, but eventually agreed to end the tenancy effective November 30, 2025.
3. The Tenant then sent the Landlord a request to sublet his unit for 19 days in November. The request was unusual, and was only necessary because the Tenant had not followed the proper process up to that point. However, the request was valid, and the RTA required that the Landlord consider it. The Landlord arbitrarily and unreasonably refused consent to the sublet, and as a result, the Tenant lost \$500.00 in rent he would have received from the subtenant.

4. The Landlord will be ordered to compensate the Tenant for his \$500.00 loss. In the circumstances, I will not award costs to the Tenant.

The first sublet request

Facts

5. The Tenant rented the unit for a fixed term running from May 1 2025 to April 30, 2026. He paid a deposit of one month's rent, to be applied to the final month of the tenancy.
6. The Tenant paid his rent through October, 2025. Then, he was offered a job in another city. On October 2, 2025, he told the Landlord that he wanted to end his tenancy early. He seems to have wanted to move out as early as October 31, 2025.
7. Section 95 of the RTA sets out the process for a tenant to follow when they want their tenancy to end early. The Tenant should have asked the Landlord for consent to assign the tenancy pursuant to section 95(1).
8. If the Landlord had consented, then the Tenant could have found someone to take over his tenancy. His liability for the rent would have ended as soon as the tenancy was assigned.
9. On the other hand, if the Landlord had not consented, then the Tenant could have given 30 days' notice to end the tenancy. In this case, given the timing, he could probably have given notice for around November 1, 2025.
10. In either case, the Tenant would have successfully ended his obligations in the tenancy – either by terminating the tenancy, or by assigning it to someone else.
11. The Tenant did not ask the Landlord for consent to assign the tenancy. Instead, on October 5, 2026, he asked for consent to sublet the unit from November 1 to 30, 2025.
12. It is not clear to me why the Tenant requested a sublet. The proposed sublet would have helped him cover the rent for November, but after the sublet had ended, he would still have been responsible for the rent for December, January, February, March, and April.
13. The Landlord was, understandably, confused. He had understood that the Tenant wanted to end his tenancy, and did not know why the Tenant was now requesting a one-month sublet instead. He wrote back and asked the Tenant to clarify whether the sublet would be only for one month, or for a longer period.
14. On October 12, 2025, the Tenant replied that the subtenant he had in mind would “stay in the unit for the rest of the lease until April.” He did not explain why he had initially requested a sublet of only one month.
15. The Landlord did not consent to the sublet.

Analysis

16. I am not satisfied that the Tenant's request was sufficiently clear as to constitute a valid request for consent to sublet within the meaning of the RTA.

17. Section 2(2) of the RTA provides that subletting a rental unit refers to the situation in which:

- (a) the tenant vacates the rental unit;
- (b) the tenant gives one or more other persons the right to occupy the rental unit for a term ending on a specified date before the end of the tenant's term or period; and
- (c) the tenant has the right to resume occupancy of the rental unit after that specified date.

18. The Tenant's initial request to sublet for November 1 to 30 was clear. It would have meant that he would vacate the unit and give a subtenant the right to occupy between November 1 and 30. Starting on December 1, he would have the right to resume occupancy.

19. However, the Tenant subsequently said that the subtenant would stay until the end of April, which was not consistent with a subtenancy from November 1 to 30. He did not explain whether he was actually asking to sublet the tenancy from November through April, or to assign the tenancy, or something else. Effectively, the Tenant withdrew his request to sublet from November 1 to 30 but did not replace it with a new coherent request.

20. Since the Tenant did not make a sublet request within the meaning of the RTA, it does not matter whether the Landlord's refusal of the request was arbitrary or unreasonable. There was no request that the Landlord was required to consider.

The second sublet request

Facts

21. At some point in October, 2025, the Tenant then gave a notice to end the tenancy effective November 30, 2025. The notice was not valid. Pursuant to section 47 of the RTA, the earliest date for which the Tenant could have given notice to end the tenancy was April 30, 2026.

22. On October 25, the Tenant wrote the following to the Landlord:

I just wanted to follow up on my earlier notice for the end of November, just to make sure we're on the same page. Since the last month's rent (\$1,350) was paid at the start of the lease, I just wanted to confirm that it'll be applied to November's rent so there's no confusion later on.

23. The Landlord replied:

Yes, you paid the last month rent and you don't need to pay for November rent, you can stay till end of November.

24. Although the Tenant's notice was not valid, the October 25 emails constituted a valid agreement to end the tenancy effective November 30. A few days later, the parties formalized their agreement by signing an N11 Agreement to End the Tenancy form.

25. Consequently, from October 25 onwards, the end of the term of the tenancy was no longer April 30, 2026, and was instead November 30, 2025.

26. In his October 25 email, the Tenant also wrote:

I wanted to share that I might have found someone who's interested in the place.

27. The Landlord subsequently spoke with the new applicant, but no sublet or assignment agreement was reached.

Analysis

28. The Tenant's second request was not a valid sublet request, either. All he told the Landlord was that he might have found someone interested in the unit. He did not say for what period the person would live in the unit, or whether he proposed to sublet or assign the unit to them. The request lacked any of the details required in a sublet request.

29. In this case, as well, it does not matter whether the Landlord's refusal of the Tenant's request was arbitrary or unreasonable. There was no request that the Landlord was required to consider.

The third sublet request

Facts

30. On November 5, 2025, the Tenant wrote to the Landlord again:

I know you might say no again, but I've found a potential subtenant who's a college student in Toronto. He's looking for a place exactly from November 10th to November 29th. I wanted to check what your thoughts are on his.

Even if it's just for the last few weeks, it would at least help me recover about \$500 of my total \$1,400 loss. Please let me know what you think.

31. The Landlord refused consent, replying:

As we signed the N11, we have no obligation to each other.

32. On November 8, 2025, the Tenant moved out of the unit.

Analysis

33. The Tenant's November 5 request was a valid request for consent to a sublet within the meaning of the RTA. The request addressed all the elements of section 2(2):

(a) the Tenant would vacate the unit;

(b) the Tenant would give another person the right to occupy the unit for a term ending on a specified date: November 29, 2025. The date was one day before the end of the Tenant's term, November 30, 2025.

(c) the Tenant would have the right to resume occupancy on November 30, 2025, for one day.

34. The Landlord argues that the request was not a valid sublet request, because the Tenant did not intend to move back into the unit after the sublet ended. I am not persuaded by that argument. Section 2(2)(c) does not require that a tenant move back in, or intend to move back in, after a sublet. It only requires that the tenant have the right to move back in. In this case, if the Landlord had agreed to the sublet, then the Tenant would have had the right to resume occupancy the unit on November 30, for one day. That is all that section 2(2)(c) requires.

35. The Landlord also argues that the sublet request was not valid, because the parties had already agreed to end the tenancy early. I am not persuaded by that argument, either. The RTA permits a tenant to request a sublet provided that the sublet ends before the end of the term of the tenancy. The parties agreed that the term of the tenancy would end on November 30. I can see no reason that agreement would restrict the Tenant's statutory right to request a sublet ending on November 29.

Did the Landlord arbitrarily or unreasonably refuse consent?

36. Having received a valid sublet request, the Landlord was prohibited by section 97(2) of the RTA from arbitrarily or unreasonably withholding consent.

37. The Landlord told the Tenant that he was refusing consent because they had signed an N11 and therefore had no obligation to each other. As discussed above, that was an incorrect understanding of the law. The tenancy, and the parties' RTA obligations to each other, continued until November 30. To refuse a sublet because an N11 had been signed was arbitrary and unreasonable.

38. On the evidence before me, it seems the Landlord may have had a second reason to refuse the request: he felt that November 10 to 29 was too short a period for a sublet. However, he has not explained why a short sublet would have been a problem. He gave no evidence of any reason for refusing a 19-day sublet. I therefore find that his refusal on that basis was also arbitrary and unreasonable.

Remedy

39. The tenancy ended on November 30, 2025. The Tenant paid his rent through October, and paid November's rent using his rent deposit. He had to pay for the full month of November, even though he moved out on November 8.

40. If the Landlord had not refused the sublet request, the Tenant would still have had to pay the full rent for November. However, he would have recovered a portion of his loss by collecting rent from his subtenant for the November 10 to 29 period.

41. The evidence before me is vague as to what rent the proposed subtenant would have paid. The Tenant's monthly rent was \$1,350. That amount pro-rated for 19 days would come to \$843.29. However, there is no evidence that the proposed subtenant was going to pay that amount. A tenant can sublet a unit for a lower rent than the rent they pay their landlord.
42. In his November 5 email, the Tenant told the Landlord that the sublet would allow him to recover "about \$500." Absent better evidence, I find that the proposed subtenant would have paid \$500.00 total for November 10 to 29.
43. The Tenant's rent will be abated by \$500.00 to compensate him for the income he lost as a result of the Landlord's arbitrary and unreasonable refusal to consent to the proposed sublet.

Costs

44. The Landlord and Tenant Board (LTB) usually awards costs to a successful applicant to reimburse them for the application filing fee. The reason for this is that the respondent's conduct caused the applicant to incur the filing fee.
45. Costs are a discretionary remedy. In the unique circumstances of this case, in my view it would not be fair to award costs. This application arose because the Tenant failed to follow the process set out in the RTA to end a tenancy early. Requesting consent to an assignment is simple and straightforward. Instead, the Tenant made a series of vague and confusing requests, framed as sublet requests, which did not address his goal of ending the tenancy early.
46. Although the Tenant eventually managed to make a valid request, which the Landlord improperly refused, the whole situation would have been avoided if the Tenant had followed the proper process at the outset.
47. In the circumstances, I find that primary cause of the Tenant incurring the filing fee is the Tenant's conduct, not the Landlord's. I decline to award costs.

Conclusion

48. It is unfortunate that the Tenant did not simply, in early October, request the Landlord's consent to assign the tenancy. If he had, this dispute would have been avoided.
49. Instead, the Tenant made several vague and confusing requests, which I do not find to have been valid sublet requests.
50. The Landlord then agreed to terminate the tenancy on November 30. However, the Tenant wanted to move out sooner than that, so he continued to try to find a subtenant.
51. On November 5, the Tenant made a valid request to sublet the unit from November 10 to 29. While the request was unusual, it was properly made in accordance with the RTA, and the Landlord was required to consider it.
52. The Landlord has not given any reasonable reason for refusing the Tenant's request, so on the evidence before me, I find that the refusal was arbitrary and unreasonable.

53. Because of the refusal, the Tenant lost rental income of \$500.00. He is entitled to reimbursed for his loss.

It is ordered that:

1. The Landlord shall pay the Tenant \$500.00, which represents a rent abatement.
2. If the Landlord does not pay the full amount owing by May 10, 2026, he will owe simple interest calculated from May 11, 2026 at 4.00% annually on the balance outstanding.

April 29, 2026
Date Issued

Dale Whitmore
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.