



**Order under Section 69
Residential Tenancies Act, 2006**

File Number: LTB-L-025171-26

In the matter of: 1294 Dempster Lane
Oakville ON L6H7Y7

Between: Obiorah Kingsley Edeh Landlord

and

Johnny Cawley
Antionette Cooney Tenants

Obiorah Kingsley Edeh (the 'Landlord') applied for an order to terminate the tenancy and evict Johnny Cawley and Antionette Cooney (the 'Tenants') because the Tenants did not pay the rent that the Tenants owe.

This application was heard by videoconference on June 2, 2026.

Mary Cooney, Agent for the Tenants, signed in with the moderator and spoke with Tenant Duty Counsel. The Tenant, Antionette Cooney, later signed in with the moderator. This matter was first called at 9:31 a.m. and only the Landlord was present in the hearing room. The matter was held down to allow the Tenant's Agent to speak with Tenant Duty Counsel and so the parties could attempt mediation, if they wished. After meeting with Tenant Duty Counsel, the Agent, Mary Cooney and the Tenant, Antionette Cooney, disconnected from the hearing and did not rejoin.

As of 11:32 a.m., the Tenants were 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 Landlord's evidence.

Determinations:

Preliminary Issue

Rent Deposit

1. The Landlord's application reported a rent deposit in the amount of \$7,350.00 being held by the Landlord. The Landlord testified that \$350.00 was for a key deposit, \$3,500.00 was a prepayment of rent for the 11th month of the tenancy and the remaining \$3,500.00 was a last month's rent deposit. The Landlord testified that the rental market was competitive when the Tenants were interested in this unit, and they agreed that they would pay a two-month rent deposit to secure the unit.

2. Pursuant to section 106 of the *Residential Tenancies Act, 2006* (the 'Act'), a Landlord may require a tenant to pay a rent deposit with respect to a tenancy if the landlord does so on or before entering into the tenancy agreement. However, section 106(2) provides:
 - i. *The amount of a rent deposit shall not be more than the lesser of the amount of rent for one rent period and the amount of rent for one month.*
3. In the case before us, the Landlord clearly collected more than a month's rent. However, the Divisional Court has held that the collection of a prepayment of rent is only illegal where the prepayment is not voluntary.
4. In *Royal Bank of Canada v. MacPherson* [2009] O.J. No. 3806, where the Tenant voluntarily prepaid rent, the Divisional Court agreed with the Board's finding that the Tenant was entitled to credit for a bona fide prepayment of rent and could not be evicted by a mortgagee in possession. In so doing, the Court held
 - i. *The plain language of these sections does not make pre-payment by a tenant of a rent in excess of one month's rent illegal. It makes the act of a landlord demanding such prepayment illegal.* [at para.27]
5. The approach was confirmed by the Divisional Court again in *Corvers v. Bumbia*, 2014 ONSC 985 (CanLII). The question before me then is whether the prepayment of rent in this case was voluntary.
6. As the Tenants were not present to provide evidence with respect to the voluntariness of the prepayment of rent, we accept the evidence of the Landlord and find, on a balance of probabilities, that the deposit was voluntary. However, as a key deposit is separate from a rent deposit and only refunded when keys are returned to the Landlord, the application is amended to reflect a \$7,000.00 rent deposit, being the amount held by the Landlord less the \$350.00 key deposit.

L1 Application

7. The Landlord served the Tenants with a valid Notice to End Tenancy Early for Non-payment of Rent ('N4 Notice'). The Tenants did not void the notice by paying the amount of rent arrears owing by the termination date in the N4 Notice or before the date the application was filed.
8. As of the hearing date, the Tenants were still in possession of the rental unit.
9. The lawful rent is \$3,500.00. It is due on the 1st day of each month.
10. Based on the Monthly rent, the daily rent/compensation is \$115.07. This amount is calculated as follows: \$3,500.00 x 12, divided by 365 days.
11. The Tenants have not made any payments since the application was filed.
12. The rent arrears owing to June 30, 2026 are \$17,500.00.

13. The Landlord incurred costs of \$186.00 for filing the application and is entitled to reimbursement of those costs.
14. The Landlord collected a rent deposit of \$7,000.00 from the Tenants and this deposit is still being held by the Landlord. The rent deposit can only be applied to the last rental period of the tenancy if the tenancy is terminated.
15. I have considered all of the disclosed circumstances in accordance with subsection 83(2) of the *Residential Tenancies Act, 2006* (the 'Act'), including that the Landlord attempted to negotiate a repayment plan with the Tenants, and find that it would be unfair to grant relief from eviction pursuant to subsection 83(1) of the Act.

It is ordered that:

1. The tenancy between the Landlord and the Tenants is terminated unless the Tenants void this order.
2. **The Tenants may void this order and continue the tenancy by paying to the Landlord or to the LTB in trust:**
 - \$17,686.00 if the payment is made on or before June 19, 2026. See Schedule 1 for the calculation of the amount owing.
3. The Tenants may also make a motion at the LTB to void this order under section 74(11) of the Act, if the Tenants have paid the full amount owing as ordered plus any additional rent that became due after June 19, 2026 but before the Court Enforcement Office (Sheriff) enforces the eviction. The Tenants may only make this motion once during the tenancy.
4. **If the Tenants do not pay the amount required to void this order the Tenants must move out of the rental unit on or before June 19, 2026.**
5. If the Tenants do not void the order, the Tenants shall pay to the Landlord \$7,416.14. This amount includes rent arrears owing up to the date of the hearing and the cost of filing the application. The rent deposit and interest the Landlord owes on the rent deposit are deducted from the amount owing by the Tenants. See Schedule 1 for the calculation of the amount owing.
6. The Tenants shall also pay the Landlord compensation of \$115.07 per day for the use of the unit starting June 3, 2026 until the date the Tenant moves out of the unit.
7. If the Tenants do not pay the Landlord the full amount owing on or before June 19, 2026, the Tenants will start to owe interest. This will be simple interest calculated from June 20, 2026 at 4.00% annually on the balance outstanding.
8. If the unit is not vacated on or before June 19, 2026, then starting June 20, 2026, the Landlord may file this order with the Court Enforcement Office (Sheriff) so that the eviction may be enforced.
9. Upon receipt of this order, the Court Enforcement Office (Sheriff) is directed to give vacant possession of the unit to the Landlord on or after June 20, 2026.

June 8, 2026
Date Issued

Kara Muzzell
Member, Landlord and Tenant Board

Candace Aboussafy
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.

In accordance with section 81 of the Act, the part of this order relating to the eviction expires on December 20, 2026 if the order has not been filed on or before this date with the Court Enforcement Office (Sheriff) that has territorial jurisdiction where the rental unit is located.

Schedule 1
SUMMARY OF CALCULATIONS

A. Amount the Tenants must pay to void the eviction order and continue the tenancy if the payment is made on or before June 19, 2026

Rent Owing to June 30, 2026	\$17,500.00
Application Filing Fee	\$186.00
Total the Tenants must pay to continue the tenancy	\$17,686.00

B. Amount the Tenants must pay if the tenancy is terminated

Rent Owing to Hearing Date	\$14,230.14
Application Filing Fee	\$186.00
Less the amount of the last month's rent deposit	- \$7,000.00
Total amount owing to the Landlord	\$7,416.14
Plus daily compensation owing for each day of occupation starting June 3, 2026	\$115.07 (per day)
**Ongoing daily compensation continues to accumulate until the total amount owing (excluding costs) is \$50,000.00.	