



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-016491-26

In the matter of: UNIT PH05,
2910 HIGHWAY 7
CONCORD ON L4K 0H8

Between: Meet Divyesh Shah Tenants
Khushalo Vikrambhai Nagar

and

Sonal Patel Landlord

Meet Divyesh Shah and Khushalo Vikrambhai Nagar (the 'Tenants') applied for an order determining that Sonal Patel (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on June 1, 2026.

Only the Tenants attended the hearing.

As of 10:58 a.m., the Landlord was not present or represented at the hearing although properly served with notice of this hearing by the Board. There was no record of a request to adjourn the hearing. As a result, the hearing proceeded with only the Tenants' evidence.

Determinations:

Tenant Application for a Rebate of Money the Landlord owes (T1)

1. The Tenants claim that they entered into a tenancy agreement with the Landlord but the Landlord did not allow them to move into the rental unit and did not return their money.
2. The Tenants contacted the Landlord on Facebook marketplace regarding accommodation in Unit 3002 at the residential complex. They viewed the unit in the first week of November 2025 and entered into a written tenancy agreement on November 16, 2025. The tenancy agreement titled "Residential Sublease" provides under paragraph 23 that the kitchen, living room and den will be shared. Meet Divyesh Shah testified that Sonal Patel was not the owner of unit 3002. Sonal Patel rented unit 3002 and their arrangement under Residential Sublease was that the Tenants would sublet one room in the unit. They would share the kitchen with Sonal Patel but they would have their own washroom.

3. The Tenants testified that they paid to the Landlord \$6,850.00 between November 17, 2025 to December 5, 2025. They referred to their bank statement and testified that they email transferred to Sonal Patel the following sums:
 - November 17, 2025, \$2,200.00 (first and last month's rent);
 - November 18, 2025, \$1,100.00 (additional deposit);
 - December 1, 2025, \$550.00 (key and garage remote deposit);
 - December 1, 2025, \$900.00 and \$1,100.00 (house damage deposit); and
 - December 2, 2025, \$1,000.00 (elevator deposit).
4. In late November 2025, Sonal Patel informed the Tenants that she had obtained possession of Unit PH05 in the same building and proposed that the Tenants move into that unit instead of unit 3002. The Tenants agreed. The parties proceeded on the basis that the monies previously paid and retained by Sonal Patel would be applied to the tenancy for unit PH05.
5. On December 2, 2025, the parties mutually signed a new written lease agreement titled "Residential Tenancy Agreement (Standard Form of Lease)" for Unit PH05. The tenancy was to commence on December 6, 2025 and the lawful rent was \$1,100.00 due on the 1st day of each month. However, prior to the move in date, the Landlord claimed that a water pipe had burst in unit PH05 and that possession would be delayed.
6. On December 6, 2025, the Tenants were not provided with possession of unit PH05. Sonal Patel informed the Tenants that she would be unable to provide the unit and indicated that the monies paid would be returned. Despite repeated requests by the Tenants, the monies collected were not refunded.
7. The evidence establishes that Sonal Patel was herself a Tenant occupying unit 3002 and proposed that the Tenants occupy one bedroom in that unit while sharing the kitchen and living areas with her. The arrangement contemplated occupancy of only a portion of the rental unit rather than creation of a separate rental unit. However, the issue before me concerns the subsequent tenancy agreement for unit PH05 because on December 2, 2025, the parties signed a new tenancy agreement and that tenancy is subject to the Act. Unlike the Residential Sublease for unit 3002, the "Residential Tenancy Agreement (Standard Form of Lease)" does not explicitly provide that the kitchen or bathroom will be shared with the Tenants.
8. Further, Subsection 2(1) of the *Residential Tenancies Act, 2006* (the 'Act') provides that a "landlord" includes,
 - “(a) the owner of a rental unit or any other person who permits occupancy of a rental unit, other than a tenant who occupies a rental unit in a residential complex and who permits another person to also occupy the unit or any part of the unit,
 - (b) the heirs, assigns, personal representatives and successors in title of a person referred to in clause (a), and
 - (c) a person, other than a tenant occupying a rental unit in a residential complex, who is entitled to possession of the residential complex and who attempts to

enforce any of the rights of a landlord under a tenancy agreement or this Act, including the right to collect rent; ("locateur")"

9. In this case, I am satisfied that Sonal Patel meets the definition of "landlord" in s.2(1)(a) of the Act with respect to unit PH05 because she entered into a tenancy agreement for PH05, agreed to provide the Tenants the rental unit for purpose of occupancy in exchange for the monthly rent of \$1,100.00, and accepted money from the Tenants in connection with that tenancy. I am also satisfied that Sonal Patel is the owner of PH05 or an individual who permits occupancy of Unit PH05, other than a tenant who occupies the rental unit in the residential complex.
10. I also find that when the parties agreed that the Tenants would rent unit PH05 instead of unit 3002, they intended for the monies previously paid by the Tenants and retained by Sonal Patel to be applied to the PH05 tenancy. The agreement sets out the \$3,000.00 deposit and \$550.00 key deposit. Although the remaining deposits are not set out, based on the Tenants' bank statements, I am satisfied that 6,850.00 was paid. Sonal Patel did not refund any of the monies paid under the earlier arrangement and continued to retain those funds after the unit PH05 tenancy agreement was executed. Therefore, I find that Sonal Patel has retained \$6,850.00 with respect to the PH05 tenancy.
11. Subsection 107(1) of the Act states that "a landlord shall repay the amount received as a rent deposit in respect of a rental unit if vacant possession of the rental unit is not given to the prospective tenant." I find that subsection 107(1) applies and requires the Landlord to repay \$6,850.00 because the Landlord retained those monies and did not provide the Tenants with vacant possession of Unit PH05.

It is ordered that:

1. The Landlord shall pay to the Tenants \$6,903.00; this amount includes the filing cost of \$53.00. The Landlord shall pay the Tenants the full amount owing by June 30, 2026.
2. If the Landlord does not pay the Tenants the full amount owing by June 30, 2026, the Landlord will owe interest. This will be simple interest calculated from July 1, 2026 at 4.00% annually on the balance outstanding.

June 22, 2026
Date Issued

Adeela Alvez
Member, Landlord and Tenants Board

15 Grosvenor Street, Ground Floor
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If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.