



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-006945-26

In the matter of: 1013, 20 MINOWAN MIIKAN LANE
TORONTO ON M6J0E5

Between: Joseph Moran
Olivia Williams
Tenants

And

Azadeh Ossareh
Landlord

Joseph Moran and Olivia Williams (the 'Tenants') applied for an order determining that Azadeh Ossareh (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on May 25, 2026.

Only the Tenants attended the hearing.

As of 9:45am, 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 Tenants' evidence.

Determinations:

1. As explained below, the Tenants proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must pay the Tenants \$248.00.
2. The Tenants claim that the Landlord collected a charge which is not allowed by the *Residential Tenancies Act, 2006* (the 'Act').

Evidence and Analysis

3. The Tenant testified that the tenancy began on February 28, 2021. The Tenants stated the rent was \$1,913.82 per month and that they paid a key deposit of \$200.00 prior to moving in. The Tenants submitted a copy of the cheque noting the term "key deposit" in the memo section, which was provided to the Landlord confirming that the Tenants paid this amount.
4. The Tenants testified that they vacated the rental unit on February 28, 2025. The Tenants testified that they entered into an agreement with the Landlord to terminate the tenancy and they vacated the rental unit in accordance with that agreement. The Tenants testified

that upon moving out of the unit, their key deposit was never refunded by the Landlord. The Tenants submitted a text message confirming that they vacated the unit and a request to obtain a refund of the key deposit which was replied to and acknowledged by the Landlord.

5. The Tenants further testified that they have tried to get into contact with the Landlord to get a refund of their key deposit, but the Landlord informed them they were retaining the funds as a damage deposit. The Tenants then stated that upon vacating the unit, the Landlord did a walkthrough with them and stated nothing needing to be repaired was outside of normal wear and tear.
6. The Tenants have filed a T1 application pursuant to section 135(1) of the *Residential Tenancies Act, 2006* (the 'Act'). The T1 is an application for an order that the Landlord illegally collected or retained money.
7. Section 134(1) of the Act states that unless otherwise provided, a landlord shall not directly or indirectly collect certain listed charges from a tenant in addition to rent. The provision specifically lists a key deposit as a prohibited charge, whether or not the money is refundable.
8. Section 17 of the General regulation O. Reg. 516/06, provides a list of exemptions from section 134 of the Act, including a "payment of a refundable key, remote entry device or card deposit, not greater than the expected direct replacement costs". According to this provision, a key or fob deposit must be refundable.
9. When read together, section 134 of the Act and 17 of the regulation prohibit a landlord from retaining a key deposit after the key has been returned at the end of the tenancy. Even if the key deposit was initially collected legally pursuant to section 17 of the regulation, the deposit must be refundable.
10. At the end of the tenancy, the Tenants did not receive a refund of this key deposit. While refundable key deposits are permissible pursuant to the Act, the Tenants never received the refundable key deposit upon terminating the tenancy, vacating the unit, and returning the keys even after requesting the same. Accordingly, the Landlord has retained the deposit illegally and they will be required to return the \$200.00 key deposit the Tenants paid.
11. This order contains all of the reasons for the decision within it and no further reasons will be issued.

It is ordered that:

1. The total amount the Landlord shall pay the Tenants is \$248.00. This amount represents:
 - \$200.00 for the illegal charge collected.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenants the full amount owing by July 9, 2026.

3. If the Landlord does not pay the Tenants the full amount owing by July 9, 2026, the Landlord will owe interest. This will be simple interest calculated from July 10, 2026, at 4.00% annually on the balance outstanding.
4. The Tenants have the right, at any time, to collect the full amount owing or any balance outstanding under this order.

June 24, 2026

Date Issued

Amit Gurpersaud

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.