



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-028663-26

In the matter of: 40, 276 Dunsmure rd 40
Hamilton ON L8M0A2

Between: Jaclyn Peaire Tenants
Dave Peaire

And

Dunsmure Developments Ltd. c/o Tibro Landlord
Properties

Jaclyn Peaire and Dave Peaire (the 'Tenants') applied for an order determining that Tibro Group Ltd (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on June 22, 2026.

The Landlord, in the form of its Director, Savan Chandaria, and the Tenants attended the hearing. Wing Chu, the Landlords' Property Manager also attended the hearing but did not give evidence or participate.

At the outset of the hearing, the Landlord's correct corporate name was amended at the suggestion of the Landlord. It now reflects the proper name of the Landlord as set out in the lease between the parties.

Determinations:

1. As explained below, the Tenant proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must allow the Tenants to apply the illegally collected rent deposit to the arrears of rent for April and May, 2026.
2. The Landlord collected rent more than the amount allowed by the *Residential Tenancies Act, 2006* (the 'Act') by requiring the Tenants to pay not only a first and last month's rent deposit but also two additional months of rent at the outset of the tenancy in the amount of \$5,280.00.
3. The Tenants testified that they understood that these additional two months rent would be applied to the second- and third-month's rent of the tenancy. Mrs. Peaire testified that her

husband receives Ontario Disability Support Payments ('ODSP') and that it was unrealistic for them to have agreed to place such a large amount of money with the Landlord to be applied to the end of tenancy when it arose.

4. The Landlord testified that page 35 of DOC8174640-26 (paragraph 51 of the Addendum to the Lease) states that the additional two months was a voluntary payment and that it would be applied to the second and third last months of the tenancy. The Tenants did sign this document.
5. The Tenant testified that this payment was not made voluntarily but rather because they were desperate to secure housing.
6. The Landlord relied heavily on case law in support of his position that he was entitled to collect the additional two months rent and to apply that rent as he sees fit.
7. I disagree with the Landlord's interpretation of the cases cited and below I have distinguished them on their facts.
8. Further, I return to the clear language of the *Residential Tenancies Act, 2006* ('the Act'). Sections 105 and 106 of the Act clearly provide that the only rent deposit a landlord can collect is an amount equal to one month's rent. Section 134(1)(b) states that unless otherwise prescribed, no landlord shall, directly or indirectly, with respect to any rental unit,

(b) require or attempt to require a tenant or prospective tenant to pay any consideration for goods or services as a condition for granting the tenancy or continuing to permit occupancy of a rental unit if that consideration is in addition to the rent the tenant is lawfully required to pay to the landlord
9. While there are some permitted exemptions to the prohibition in Section 134(1)(b), they are not relevant to this matter.
10. The purpose of sections 106 and 134 is to protect prospective tenants from exactly the coercion evident in this case. The Tenants were desperate to obtain accommodation. The Landlord discerned that he might have difficulty collecting the rent on a regular basis because the husband is on ODSP. The Landlord saw an opportunity to ensure payment of rent or protection from a large amount of arrears if the Tenants were unable to pay rent. This case differs from all of the cases cited to me in which the courts and adjudicators have found that IF prospective tenants voluntarily agree to a greater deposit, it does not violate section 106 of the Act.
11. In LTB-L-043744-22, the adjudicator found that the tenants offered the additional months of rent to compete with other prospective tenants. In LTB-T-054124-23, the adjudicator found that the tenants did not provide any evidence of duress. In this case, the Tenants have specifically identified their reliance on ODSP as a reason they did not voluntarily provide the additional funds. In LTB-T-089244-23, the five months of additional rent collected had already been applied to arrears and therefore there was no remedy to be offered by the LTB. This is precisely the remedy sought by the Tenants in the instant case. They seek to have the additional payments applied to arrears of rent to bring their rent current as they have already paid June rent in full.

12. I do not accept that the Tenants made the additional payment voluntarily and find that it was an illegal payment contrary to the Act.

It is ordered that:

1. The Landlord shall apply the amount of \$5,280.00 in excess rent collected to the months of April and May 2026

June 30, 2026
Date Issued

Christina Budweth
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.