



Order under Section 69 Residential Tenancies Act, 2006

Citation: Pandey v Reece, 2026 ONLTB 42751

Date: 2026-06-29

File Number: LTB-L-000632-26

In the matter of: MASTER BEDROOM, BASEMENT, 58
PEBBLESTONE CIR
BRAMPTON ON L6X4N2

Between: Suresh Narayan Pandey Landlord

and

Shanika Reece Former Tenant

Suresh Narayan Pandey (the 'Landlord') applied for an order to terminate the tenancy and evict Shanika Reece (the 'Former Tenant') and Vivian Adams because they did not pay the rent they owed.

This application was heard by videoconference on May 27, 2026.

The Landlord, the Former Tenant, and Vivian Adams attended the hearing. The Former Tenant and Ms. Adams declined the opportunity to speak with Duty Counsel prior to the start of the proceeding.

Determinations:

1. The Landlord claims arrears are owed under one lease, and when the Former Tenant moved out, Ms. Adams refused to pay what the Former Tenant had been paying and has not moved out.
2. The Landlord was then unable to re-rent the room where the Former Tenant lived for a few months. When he did rent the room out, this was at a reduced rate and he claims he is now short \$300.00 a month. The Landlord's claim for arrears is for the lost rent and shortfall, and if this is not paid, the Landlord seeks termination and eviction.
3. For the reasons set out below, I find the Landlord entered into two separate tenancy agreements - one with the Former Tenant and one with Ms. Adams – and not one joint and several tenancy.

4. Instead, I find that each of the Former Tenant and Ms. Adams were responsible for paying the Landlord \$1,400.00 a month and that Ms. Adams is not responsible for any perceived shortfall in revenue from the apartment due to the departure of the Former Tenant.
5. As of the date of hearing, I was satisfied Ms. Adams is not and has not been in arrears and so I find the only tenancy which could be the subject of a N4 Notice and this subsequent application is the Former Tenant's. As a result, Ms. Adams is removed as a party.
6. I am further satisfied that the Former Tenant was not in possession when the L1 Application was filed. However, as she was present at the hearing and I did not find there was any prejudice, I proceeded with hearing this application as an L10 Application.
7. Because the Landlord disputed the Former Tenant's ability to move out on 30 days' notice without payment of rent for December, he served a N4 Notice. Given the Landlord served a N4 Notice and the Former Tenant moved out after service of this notice, I find the Former Tenant does not owe any rent after the date she moved out.
8. Further, it was admitted that the Former Tenant's rent deposit has been applied to the last month of her tenancy and so I find no arrears are outstanding. However, as it was admitted that interest on the Former Tenant's rent deposit was not paid, I find this is owing.
9. As a result, the Landlord is directed to pay the Former Tenant \$14.10.

The Former Tenant and Ms. Adams are not joint tenants

10. The Former Tenant and Ms. Adams both lived in the basement apartment. The Former Tenant occupied the Master Bedroom with her children and Ms. Adams and her children occupied the other 2 bedrooms. The families shared the common areas.
11. Both the N4 Notice to End Tenancy Early for Non-Payment of Rent ('N4 Notice') and this application identify the Former Tenant and Ms. Adams as tenants. However, at the hearing, the question as to whether the Former Tenant and Ms. Adams were joint and several tenants or if there were two tenancies arose.
12. The Landlord testified he rented the basement apartment to both the Former Tenant and Ms. Adams, that there was one lease, and that the Former Tenant and Ms. Adams were jointly and severally liable for the rent. The Landlord testified the shelter where the Former Tenant and Ms. Adams were staying asked him to help, they then came to see the unit, advised that they were sisters, and signed one Standard Form of Lease, Residential Tenancy Agreement. The Standard Form Lease was signed on August 1 and 3, 2025 [Exhibit #1 – EVID7454703].
13. The Landlord admitted he understood the Former Tenant and Ms. Adams were not entitled to receive \$2,800.00 for housing from the government program to which they would be applying. As a result, he admitted the shelter asked him to, and he did, sign separate forms that each of them submitted to Ontario Works that showed they would each be paying only \$1,400.00.

14. A copy of the document the Landlord signed with respect to Ms. Adams was submitted into evidence. It is titled 'Rental Agreement', contains the name of the tenant, the address of the rental unit, the name and contact information of the Landlord, and indicates the rent is \$1,400.00. This agreement was signed on July 2, 2025 [Exhibit #2 – CamScanner attachment to EVID 7361081].
15. Nonetheless, the Landlord submitted these were not leases but were instead 'rental promise forms'. He testified these were solely for the purpose of the Former Tenant and Ms. Adams obtaining housing money from the government, and that they only stood for the principle he would give them a rental unit. The Landlord testified they were then to sign a Standard Form Lease as required by all tenants in Ontario.
16. The Landlord testified he never treated the Former Tenant and Ms. Adams as separate tenants, that he even advised them they were able to break the lease after 6 months, that it was understood and agreed that if one left they would both leave, and that he would otherwise have never agreed to rent them the apartment.
17. The Former Tenant testified that while they were staying at the shelter they each signed separate leases that they would pay \$1,400.00 a month, that these were forwarded to Ontario Works, and that they were issued first and last month's rent for a total of \$2,800.00. She testified she paid the Landlord her first month's rent and rent deposit on July 7, 2025, and that they each paid their respective monthly rents of \$1,400.00 separately.
18. The Landlord testified he only accepted rent separately for convenience.
19. The Former Tenant testified she moved in on July 7, 2025, and the Landlord later sent her another lease saying she had to sign it. She testified they went back and forth as to why this had to be signed and she ultimately signed it because the Landlord told her if she did not sign it then she would have to move out.
20. Ms. Adams testified she was connected with the Former Tenant through the shelter and did not know her before this time. She testified they had and signed separate leases from the beginning, that they moved in separately, paid rent separately, and lived separately.
21. Ms. Adams testified within a month or so after she had been living at the rental unit, the Landlord asked them to sign another tenancy agreement and they objected. She denied the Landlord's suggestion that she understood she had to sign another agreement after she moved in.
22. Ms. Adams testified the Landlord said if they did not sign they would be evicted. She testified she was new to Canada, was caring for a special needs child, and signed the Standard Form Lease out of pressure and fear.
23. The Landlord testified he did not know which bedrooms the Former Tenant and Ms. Adams would be residing in and that that was up to them. He testified when the Former Tenant and Ms. Adams moved in this was decided and known to him within a week or so.

24. Once the Former Tenant moved in, I find it was determined that she and her children would live in the master bedroom and Ms. Adams and her children would live in the other two bedrooms. All had access to the common areas.
25. I therefore find the Standard Form Lease, which was signed in August, was signed after the rooms within the apartment had already been determined.
26. The Landlord admitted nothing changed with the signing of the Standard Form Lease.
27. After the Former Tenant and her children moved out, Ms. Adams' testified the Landlord told her that she would have to find a new person to take the Former Tenant's place or else she would have to pay the full rent of \$2,800.00 or leave. She testified she explained her understanding that her rent was only \$1,400.00.
28. The Landlord testified he also asked Ms. Adams to leave but she refused. He testified Ms. Adams' said she would find someone else but she did not. He said he tried to mitigate and searched for and eventually found another family who moved into the master bedroom.
29. The Landlord admitted he has signed a separate lease with this family and that it is understood this family does not have access to the rooms occupied by Ms. Adams and her family. The difficulty from the Landlord's perspective is that it was harder to find someone to take just one room in the apartment when the other rooms were occupied by Ms. Adams and the new tenants are only paying \$1,100.00 a month.
30. The Landlord admitted Ms. Adams has paid \$1,400.00 each month. However, he submits either both the Former Tenant and Ms. Adams or at least Ms. Adams is responsible for the \$300.00 difference in rent each month and sought an order for eviction.
31. The Landlord confirmed he was not seeking an order for termination and eviction against the other new tenants and they were not named on this application.

Analysis

32. Section 202 of the *Residential Tenancies Act, 2006* ('RTA') requires the LTB to ascertain the real substance of all transactions and activities relating to a residential complex and the good faith of the participants in doing so. In so doing, the outward form of a transaction may be disregarded and the pattern of activities considered.
33. Based on the evidence before me, I find it more likely than not that the Landlord entered into two separate tenancy agreements – one with the Former Tenant and the other with Ms. Adams.
34. The Landlord knew that the Former Tenant and Ms. Adams could not agree to a tenancy of \$2,800.00. Knowing this he then signed documents entitled 'Rental Agreements' which he knew the Former Tenant, and Ms. Adams would submit to obtain funding, and that Ontario Works would rely upon as evidence of their tenancies and rent. He then accepted each of their first and last month's rent deposits and continued to accept rent separately from them each month.

35. While the Landlord may not have initially known how the Former Tenant and Ms. Adams would divide the bedrooms within the apartment, I find that as of the date the Former Tenant moved in this was determined and that this known to the Landlord before the Standard Form Lease was signed.
36. Additionally, I did not find the Former Tenant's and Ms. Adams' understanding that they only signed the Standard Form Lease due to pressure from the Landlord was contradicted by the Landlord. While the Landlord submitted there was an understanding that there would be one lease, I find the evidence of the Former Tenant and Ms. Adams that their leases were separate better accords with the contemporaneous documents, and the actions undertaken by all parties and so prefer it.
37. I further find the interpretation that there were two separate leases is supported by the Landlord's actions after the Former Tenant moved out insofar as he only re-rented the room in which the Former Tenant had lived, admitted it was understood that access to the rooms in which Ms. Adams was living did not form part of the new tenancy agreement, and was not now seeking to terminate and evict the new tenants.
38. Additionally, I find the evidence supports finding that that had the Landlord received \$1,400.00 from another tenant there would be no issue and find this telling.
39. While I accept that the Landlord did not wish to receive less than \$2,800.00 for the apartment, based on the above, I do not accept that there was one joint tenancy nor that the signing of the Standard Form Lease supports finding there was.
40. Given I have found there were two separate tenancies, I find the fact that the Landlord rented the master bedroom out at a lower rate than that which the Former Tenant was paying does not make Ms. Adams responsible for the difference. The Landlord admitted Ms. Adams had always paid him \$1,400.00. I therefore find that Ms. Adams was not in arrears of rent.
41. As a result, I find that this application for non-payment of rent can only proceed against the Former Tenant, Ms. Adams is removed as a party and the application is amended to identify the rental unit as the Master Bedroom.

L1 Application continued as an L10 Application

42. The Former Tenant testified she moved out of the rental unit on December 31, 2025.
43. The Landlord initially testified he could not recall when the Former Tenant moved out and suggested it was on February or March 1, 2026. However, after the Former Tenant's evidence, he agreed the Former Tenant had moved out on December 31, 2025.
44. The Landlord submitted he asked them both to move out at this time and give him 60 days' notice. I find this consistent with the Landlord's overarching concern that he receive a total of \$2,800.00 for the basement apartment; however, it does not change the fact that the Former Tenant was not in possession of the rental unit when this application was filed.

45. Under section 87(1)(a) of the RTA a landlord may apply to the LTB for an order for the payment of arrears of rent by filing an L1: Application to Evict a Tenant for Non-Payment of Rent and to Collect Rent the Tenant Owes where the tenant is in possession of the rental unit.
46. Under section 87(1.1)(b) of the RTA a landlord may pursue a former tenant for arrears within one year of the date the tenant ceased to be in possession of the rental unit so long as the tenant vacated after September 1, 2021 – which was the case here. Normally, a landlord must seek arrears from a former tenant by filing an L10: Application to Collect Money a Former Tenant Owes.
47. On an L10 Application the Landlord must give each former tenant the application and notice of hearing at least 30 days before the hearing and must file a certificate of service 20 days before the hearing. On an L1 Application it is the LTB who provides notice of the hearing and application to the tenant.
48. In the circumstances of this case I found that it was unnecessary to require the Landlord to re-file an L10 Application for arrears as the Former Tenant and Landlord were both present and prepared to proceed.
49. As a result, I proceeded with the hearing, treating the L1 Application like an L10 Application.

Determination of arrears and costs

50. The lawful rent is \$1,400.00. It was due on the 1st day of each month.
51. Based on the monthly rent, the daily rent/compensation is \$46.03. This amount is calculated as follows: \$1,400.00 x 12 months, divided by 365 days.
52. The Former Tenant has not made any payments since the application was filed.
53. The Former Tenant testified she told the Landlord on December 1, 2025, she was going to move out due to reported maintenance issues in the apartment that he refused to address. She testified the Landlord told her if she found someone else to move in she could move out and, if not, then he would serve her with a N4 Notice.
54. The Landlord served a valid Notice to End Tenancy Early for Non-payment of Rent (N4 Notice) on December 4, 2025, with a date of termination of December 18, 2025. It claimed \$1,400.00 was owing for the month of December 2025.
55. The Former Tenant moved out on December 31, 2025.
56. The ability of a landlord to claim arrears because they were not provided with adequate notice of termination is provided for under section 88(1) of the Act. However, Section 88(1) only applies where the landlord has not given notice to terminate the tenancy.
57. Section 134(1.1) of the RTA further provides:

134 (1.1) No landlord shall, directly or indirectly, with respect to any rental unit, collect or require or attempt to collect or require from a former tenant of the rental unit any amount of money purporting to be rent in respect of,

(a) any period after the tenancy has terminated and the tenant has vacated the rental unit; or

(b) any period after the tenant's interest in the tenancy has terminated and the tenant has vacated the rental unit.

58. I find the Former Tenant's tenancy ended on December 31, 2025, when the Former Tenant moved out following the receipt of a N4 Notice and that the Former Tenant's obligation to pay rent ended on that date.

59. The Landlord collected a rent deposit of \$1,400.00 from the Tenant and he admitted that this deposit has now been applied to the last month of the tenancy - December 2025. I therefore find no arrears are outstanding.

60. The Landlord also admitted that interest on the rent deposit had not been paid and so I find interest in the amount of \$14.10 is owing to the Former Tenant for the period from July 7, 2025, to December 31, 2025.

61. In the above circumstances, I find the amount the Landlord owes the Tenant exceeds the amount to which the Landlord was entitled. As a result, I find Landlord was not successful on their application and have declined to award them their costs of filing this application.

Section 82

62. The Former Tenant admitted she did not provide written notice to the Landlord of any issues she wished to raise under section 82 of the RTA and no such issues were addressed.

It is ordered that:

1. The Landlord shall pay the Former Tenant interest on the rent deposit in the amount of \$14.10.
2. If the Landlord does not pay the Former Tenant the full amount owing on or before July 10, 2026, the Landlord will start to owe interest. This will be simple interest calculated from July 11, 2026, at 4.0% annually on the balance outstanding.

June 29, 2026

Date Issued

Rebecca Case

Vice Chair, Landlord and Tenant 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.