



Order under Section 135
Residential Tenancies Act, 2006

File Number: SOT-15510-20

In the matter of: 407 CANTERBURY CRESCENT
OAKVILLE ON L6J5K8

Between: Leanne Kripp Tenants
Kevin Kripp

and

Robert Toon Landlord

Leanne Kripp and Kevin Kripp (the 'Tenants') applied for an order determining that Robert Toon (the 'Landlord') has collected or retained money illegally.

This application was heard via video/teleconference on September 22, 2021.

The Tenants and the Landlord attended the hearing.

Analysis and Determinations:

1. On July 1, 2013 the Landlord collected a last month rent deposit of \$3,200.00.
2. The Tenants vacated the rental unit on April 30, 2020 because the Tenants were given a N12 form notice that the Landlord required possession of the rental unit for his own use
3. The Tenants assert that the Landlord did not return the last month rent deposit of \$3,200.00.

Legislation relating to rent deposits

4. Section 105 of the Residential Tenancies Act, 2006 (the "Act") provides:
 - (1) The only security deposit that a landlord may collect is a rent deposit collected in accordance with section 106.
5. Section 106 of the Act provides:
 - (1) 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.
 - (2) 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.
 - ...
 - (10) A landlord shall apply a rent deposit that a tenant has paid to the landlord or to a former landlord in payment of the rent for the last rent period before the tenancy terminates.

2021 CanLII 144251 (ON LTB)

6. It is clear, that the only deposit a Landlord may collect is an amount equal to one month's rent, and this deposit must be applied to the last month of the rental period.
7. The Tenants vacated the rental unit on April 30, 2020, therefore the last month of the tenancy is April 2020.
8. Based on the Tenants' uncontested testimony, I find the Landlord retained the Tenants' last month's rent deposit. This is prohibited by the *Residential Tenancies Act, 2006* (the 'Act').
9. The order will require the Landlord to refund the \$3,200.00 last month rent deposit to the Tenants.
10. With respect to the issue of interest on the last month's rent deposit, the same is due and payable under Section 106 (6) the Act, which provides:

A landlord of a rental unit shall pay interest to the tenant annually on the amount of the rent deposit at a rate equal to the guideline determined under section 120 that is in effect at the time payment becomes due.
11. The deposit was collected July 1, 2013, and I find the Landlord owes the Tenants interest on that deposit from July 1, 2013 to April 30, 2020 in the amount of \$367.62.
12. Section 48.1 of the Act requires a landlord who has served a tenant with an N12 notice pursuant to section 48 to pay compensation to the tenants in an amount equal to one month's rent.
13. Section 55.1 of the Act requires the compensation must be paid no later than on the termination date specified in the N12 notice of termination given by the Landlord under section 48.
14. Based on the Tenants' uncontested testimony, I find the Landlord has not paid compensation to the Tenants in an amount equal to one month's rent pursuant to section 48 for the notice given.
15. The Tenants are also entitled to reimbursement from the Landlord of his cost of filing the application of \$50.00.
16. This order contains all of the reasons for my decision within it. No further reasons shall be issued.

It is ordered that:

1. The Landlord shall pay to the Tenants the sum of \$3,567.62. This amount represents \$3,200.00 for the last month's rent deposit and \$367.62 of interest on the rent deposit.
2. The Landlord shall also pay to the Tenants the sum of \$3,200.00. This amount represents The compensation to the Tenants in an amount equal to one month's rent pursuant to section 48 for the notice given.

3. The Landlord shall also pay to the Tenants the sum of \$50.00 the cost of filing the application.
4. If the Landlord does not pay the Tenants \$6,817.62, the full amount owing by December 11, 2021, the Landlord will owe interest. This will be simple interest calculated from December 12, 2021 at 2.00% annually on the outstanding balance.
5. If the Landlord does not pay the Tenants the full amount owing on or before December 11, 2021 the Tenants shall have the right, at any time thereafter to collect from the Landlord the full amount owing or any balance outstanding as a result of this order.



Randy Aulbrook
Member, Landlord and Tenant Board

November 30, 2021
Date Issued

Southern-RO
119 King Street West, 6th Floor
Hamilton ON L8P4Y7

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