Order under Section 135 Residential Tenancies Act, 2006

File Number: TNT-27457-20

In the matter of: MAIN FLOOR, 49 QUEEN ISABELLA CRES

MAPLE ON L6A3J8

Between: Ijaz Rauf Tenants

Sherjeel Rauf

and

Don Kwi Cho Landlords

Young Sook Choi

Ijaz Rauf and Sherjeel Rauf (the 'Tenants') applied for an order determining that Young Sook Choi, and Don Kwi Cho (the 'Landlords') have collected or retained money illegally.

This application was heard by video/teleconference on November 4, 2021.

The Tenant Ijaz Rauf and the Landlords attended the hearing. The Tenant Ijaz Rauf attended the hearing on behalf of both Tenants. Sung Cho, the Landlords' son, represented the Landlords at the hearing.

Determinations:

The Facts:

- 1. The parties entered into a tenancy agreement for one year ending August 31, 2020.
- 2. The Tenants gave the Landlord a Notice of Termination, Form N9, with an early termination date of June 21, 2020. The Tenants paid rent up to June 30, 2020.
- 3. The parties agreed that the Landlord may retain the last month's rent deposit to cover possible rental income losses.
- 4. The Tenants vacated the rental unit on or about June 21, 2020.
- 5. The Landlord re-rented the rental unit effective July 1, 2020.
- 6. The Tenants requested that the Landlords return the last month's rent deposit.

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7. The Tenants, who occupied the main floor of the house paid the utility bills for the whole house. The parties agreed that the tenants occupying the basement unit would pay 30% of the cost of utilities. The Landlords would collect the 30% from the basement tenants and pay it to the Tenants. The Landlords failed to pay the Tenants \$392.38 for the cost of the unities.

8. The Landlords did not contest that the owed the Tenants part of the of the utilities in the amount of \$392.38. The Landlords submitted that they forwarded this amount to their real estate agent, who was to pay this amount to the Tenants. At the time of the hearing the Tenants have not received the money. The Landlords undertook to follow up with the real estate agent and direct the agent to pay the money to the Tenants. As this amount has not yet been received by the Tenants, the Landlords will be ordered to pay this amount to the Tenants.

Law and Analysis:

9. Section 106(1) of the Act states:

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.

- 10. Although the Tenants gave the Landlords a Notice of Termination which was not in accordance with the Act, the Landlords were able to re-rent the rental unit effective July 1, 2021. The Landlords did not suffer rental losses as a result of this Notice of Termination.
- 11. As the Landlords re-rented the rental unit effective July 1, 2020, the last month of the tenancy was June 2020. The Tenants paid rent for June 2020, as such, the Landlords were not entitled to retain the last month's rent deposit.

It is ordered that:

- 1. The Landlords shall pay to the Tenants the sum of \$3,092.38. This amount represents \$2,700.00 for the last month's rent deposit and \$392.38 for the excess utility bill.
- 2. The Landlords shall also pay to the Tenants \$53.00 for the cost of filing the application.
- 3. The total amount the Landlords owe to the Tenants is \$3,145.38.
- 4. If the Landlords do not pay the Tenants the full amount owing by December 3, 2021, the Landlords will owe interest. This will be simple interest calculated from December 4, 2021 at 2.00% annually on the outstanding balance.
- 5. The Tenants have the right, at any time, to collect the full amount owing or any balance outstanding under this order.

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November 22, 2021

Date Issued

Jana Rozehnal

Member, Landlord and Tenant Board

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