



**Order under Section 135
Residential Tenancies Act, 2006**

Citation: Sit v Cheng, 2026 ONLTB 233

Date: 2026-01-14

File Number: LTB-T-045730-25

In the matter of: 8 Basement Unit, 1251 BRIDLETOWNE CIR
SCARBOROUGH ON M1W0A5

Between: Lok Yee Sit Tenant

And

Heung Cheng Landlord

Lok Yee Sit (the 'Tenant') applied for an order determining that Heung Cheng (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on October 9, 2025.

The Landlord and the Tenant attended the hearing.

Determinations:

1. The Tenant seeks the return of the last month's rent deposit of \$900.00 and compensation for emotional distress. Compensation for emotional distress is not a remedy available under an application brought pursuant to section 135 of the Residential Tenancies Act, 2006 (the 'Act'). Therefore, the only issue to be determined is whether the Landlord has illegally retained the last month's rent deposit.
2. The tenancy commenced on September 8, 2024, for a fixed term of twelve months. It was undisputed that the Tenant paid a last month's rent deposit in the amount of \$900.00. The Tenant vacated the rental unit on May 30, 2025.
3. On March 15, 2025, the Landlord advised the Tenant that she intended to sell the property and wanted to arrange for their realtor to view the unit for a market value assessment. At that time, the Tenant advised the Landlord that she intended to vacate the rental unit on May 31, 2025. The Landlord did not object to this date, which was an early termination of the fixed term tenancy. These facts are not in dispute.
4. On May 16, 2025, the Tenant sent a text message to the Landlord confirming that she would be out of the rental unit by May 31, 2025. It was at that time that the Landlord advised the Tenant that she did not intend to return the last month's rent deposit.

5. The Landlord's position seems to be that the Tenant was not entitled to end the tenancy early. The Landlord also seems to argue that despite agreeing to the tenancy ending at the end of May 2025, they believed the Tenant decided to stay until June 30, 2025 because the Tenant paid the lawful rent for May 2025.
6. I am satisfied that the Landlord agreed to an early termination of the tenancy on March 15, 2025. The Landlord does not dispute this. There is no evidence before me establishing there was a change to this agreement. I do not believe the fact the Tenant paid the lawful rent for May 2025 means the Tenant intended to change the terms of the agreement. There was no communication from the Tenant to the Landlord indicating she did not intend to vacate at the end of May 2025.
7. Subsection 106(10) of the Act requires a landlord to apply a rent deposit to payment of the rent for the last rent period before the tenancy terminates. As the Tenant paid the rent for the last rent period (May 2025), the Landlord was obligated to return the last month's rent deposit.
8. I am satisfied the Landlord illegally retained the Tenant's last month's rent deposit. Accordingly, the Landlord shall be ordered to pay the Tenant \$900.00.
9. The Tenant incurred costs of \$48.00 for the application filing fee and is entitled to reimbursement of these costs.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$948.00.
2. This amount represents:
 - \$900.00 for the last month's rent deposit.
 - \$48.00 for the cost of filing the application.
3. The Landlord shall pay the Tenant the full amount owing by January 25, 2026.
4. If the Landlord does not pay the Tenant the full amount owing by January 26, 2026, the Landlord will owe interest. This will be simple interest calculated from January 26, 2026, at 4.00% annually on the balance outstanding.

January 14, 2026

Date Issued

Douglas Malanka

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.

