



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-032490-25

In the matter of: Ph21, 35 Brian Peck Cres
Toronto ON M4G0A5

Between: Ulf Vesterlund Tenants
Gloria Maria Santos Perez

And

Trustwell Realty Inc. Brokerage Landlord

Ulf Vesterlund and Gloria Maria Santos Perez (the 'Tenants') applied for an order determining that Trustwell Realty Inc. Brokerage (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on November 10, 2025.

Ryan Hum (agent of Trustwell Realty Inc. Brokerage), the Landlord's legal representatives Ian Shemesh and Tamir Salomon, and the Tenant Ulf Vesterlund (representing both Tenants) attended the hearing. Stephen Wong, the owner of Trustwell Realty Inc. Brokerage, and Larry Yuan – the individual owner of the Landlord – testified as witnesses for the Landlord.

Determinations:

1. As explained below, the Tenants proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must return \$6,600.00 in illegally retained rent to the Tenants.
2. The Landlord collected rent in excess of the amount allowed by the *Residential Tenancies Act, 2006* (the 'Act').
3. The Tenants entered into a year-long lease with the Landlord that commenced on June 1, 2024. The Tenants gave the Landlord \$19,800.00 in rent money before they moved into the rental unit. \$3,300.00 was paid for the first month's rent (i.e. for the June 2024 rent). The parties agreed that the remaining \$16,500.00 would be held by the Landlord as a deposit for the last five months' rent, despite the fact that the Act only permits Landlords to collect a last month's rent deposit: section 106(2).
4. Pursuant to section 202 of the Act, I must ascertain the real substance of all transactions and activities relating to the rental unit and may, in doing so, disregard the outward form of a transaction.

5. While the parties characterized the \$16,500.00 as a five-months' rent deposit, it is more accurately characterized as one \$3,300.00 rent deposit and a pre-payment of \$13,200.00 in rent.
6. The Tenants' gave notice to the Landlord of their intent to vacate the rental unit before the end of the term of their lease on August 30, 2024, and they vacated the rental unit on September 13, 2024.
7. Pursuant to subsection 88(1) of the Act, since the Tenants vacated the rental unit after giving non-compliant notice, arrears of rent are owing for the period that ends on the earliest termination date that could have been specified in the notice (i.e. May 31, 2025). However, this is modified by subsection 88(3), which states that despite subsection 88(1), if the landlord secures a new tenant for the rental unit, the vacating tenant is not liable to pay an amount of arrear that exceeds the amount of arrears of rent owing for the period that ends on the date the new tenant is entitled to occupy the rental unit.
8. Larry Yuan – the individual owner of the rental unit – testified that he received rent via e-Transfer totalling \$6,600.00 for the rental periods spanning July 1, 2024, to August 31, 2024. He testified that he re-rented the unit to a new tenant as of December 1, 2024. Therefore, the Tenants are not liable for arrears past that date, pursuant to subsection 88(3).
9. The Tenants were liable for a grand total of \$19,800.00 in rent from June 1, 2024, to November 30, 2024. The Tenants, however, paid the Landlord the following amounts:
 - \$19,800.00 paid to Trustwell Realty Inc. Brokerage in trust for Mr. Yuan, representing the first month's rent, the last month rent deposit permitted by the Act, and four months of prepaid additional rent.
 - \$6,600.00 in rent paid via e-Transfer directly to Mr. Yuan.
10. These payments exceed the amount of rent that the Tenants were liable for, pursuant to the Act, by \$6,600.00.
11. Subsection 134(1.1) prohibits landlords from directly or indirectly collect any amount of money purporting to be rent in respect of any period after the tenancy has terminated and the tenant has vacated the rental unit. By retaining prepaid rent payments for periods of time the Tenants' were not liable to pay rent, the Landlord is indirectly attempting to collect rent for a period after the Tenants liability for the rent was extinguished. Therefore, this amount must be returned to the Tenants.

It is ordered that:

1. The total amount the Landlord shall pay the Tenants is \$6,648.00. This amount represents:
 - \$6,600.00 for excess rent collected.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenants the full amount owing by February 10, 2026.

3. If the Landlord does not pay the Tenants the full amount owing by February 10, 2026, the Landlord will owe interest. This will be simple interest calculated from February 11, 2026 at 4.00% annually on the balance outstanding.
4. The Tenants have the right, at any time, to collect the full amount owing or any balance outstanding under this order.

January 30, 2026
Date Issued

Jeremy Henderson
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.