



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

File Number: LTB-T-095012-24

In the matter of: Upper, 49 Reigate Avenue
Brampton Ontario L6V2E2

Between: Heather Chipman Tenant

And

Michael Chow Landlord
Honest Home Buyers

Heather Chipman (the 'Tenant') applied for an order determining that Michael Chow and Honest Home Buyers (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on November 25, 2025.

Only the Tenant and the Tenant's Representative, Janette Gajic attended the hearing.

As of 10:27 a.m. the Landlord was not present or represented at the hearing although properly served with notice of this hearing by the LTB. There was no record of a request to adjourn the hearing. As a result, the hearing proceeded with only the Tenant's evidence.

Determinations:

1. In her application, the Tenant alleges:
 - The Landlord did not use her last month's rent deposit to pay for the last rental period of the tenancy and did not return the deposit to her; and
 - The Landlord gave her an N12 Notice to End the Tenancy because the Landlord, a purchaser or family member requires the rental unit for residential occupation and did not pay her compensation by the termination date on the N12 Notice.
2. On January 30, 2024, the Landlord served the Tenant with an N12 Notice with a termination date of May 31, 2024. The reason for ending the tenancy was because the Landlord signed an Agreement of Purchase and Sale of the rental unit, and the purchaser intended to move into the rental unit.
3. The Tenant vacated the rental unit on May 11, 2024.

One month compensation:

4. Subsection 49.1(1) of the *Residential Tenancies Act, 2006* (the 'Act') reads as follows:

49.1 (1) (a) A landlord shall compensate a tenant in an amount equal to one month's rent or offer the Tenant another rental unit acceptable to the Tenant if, (a) the landlord gives the tenant a notice of termination of the tenancy on behalf of a purchaser under subsection 49 (1) ...

5. Subsection 55.1 of the Act requires the Landlord to compensate the Tenant no later than on the termination date specified in the notice of termination.

6. I am satisfied based on the Tenant's uncontested testimony that an N12 Notice was given by the Landlord and the Landlord has not paid the one-month compensation as required under section 49.1 (1)(a) of the Act.

7. The lawful monthly rent is \$2,362.68 therefore the Landlord owes the Tenant \$2,362.68. An extra 125.00 the Tenant claims is paid with rent for gas and water is not deemed as rent therefore is not considered as part of the one-month compensation.

Last month rent Deposit:

8. Subsection 49(2) of the Act states, that a tenant who receives notice of termination under subsection 49(1) may, at any time before the date specified in the notice, terminate the tenancy earlier.

9. On April 30, 2024, the Tenant gave the Landlord a Notice terminating the tenancy on May 15, 2024 but she vacated earlier on May 11, 2024. Since the Notice was at least 10 days before the Tenant terminated the tenancy, the tenancy terminated lawfully. Hence, the Landlord is not permitted to retain money for per diem rent on or after May 16, 2024.

10. The Tenant paid a last month's rent deposit of \$2,362.68 which is still being held by the Landlord. Subsection 106(10) of the Act requires a landlord to apply a rent deposit to the last rent period of the tenancy. Thus, the last month rent deposit is applied to May 1-15 rent charges. The amount in excess of per diem rent from May 16-31, 2024 is money the Landlord collected and has retained unlawfully. Hence the Landlord is required to pay the Tenant the difference, as claimed by the Tenant in her application, in the amount of \$1,181.34.

11. The Tenant incurred costs of \$53.00 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 \$3,597.02. This amount represents:
 - \$2,362.68 for the compensation owed by the Landlord pursuant to subsection 49.1(1)

- \$1,181.34 the balance of last month rent deposit
 - \$53.00 for the cost of filing the application.
2. The Landlord shall pay the Tenant the full amount owing by February 20, 2026.
 3. If the Landlord does not pay the Tenant the full amount owing by February 20, 2026, the Landlord will owe interest. This will be simple interest calculated from February 21, 2026, at 4.00% annually on the balance outstanding.

February 9, 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.