



Order under Section 135 Residential Tenancies Act, 2006

Citation: Furlano v Lam, 2026 ONLTB 21070

Date: 2026-03-13

File Number: LTB-T-058129-25

In the matter of: 14 TIM JACOBS DR
KESWICK ON L4P0G5

Between: Teresa Furlano
Antonio D'Angelo Tenants

And

Stephen Lam
Elsa Wong Landlord

Teresa Furlano and Antonio D'Angelo (the 'Tenants') applied for an order determining that Stephen Lam and Elsa Wong (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on February 26, 2026.

The Tenants' Representative, Vitoria Rotiroti, the Tenants, the Landlord's Representative, Noddy Ho Ching Lam and the second-named Landlord attended the hearing.

Determinations:

1. As explained below, the Tenants proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must pay to the Tenants the amount of \$2,004.08 by March 24, 2026.
2. The Tenants' Representative is the daughter of the Tenants and she was authorized to speak on their behalf. The Landlord's Representative is the son of the Landlord and he was authorized to speak on her behalf.

Evidence of Vittoria Rotiroti (VR)

3. VR testified that her parents moved into the rental unit on October 28, 2023 and they vacated the unit on July 8, 2025. She stated that her parents signed a new lease in October of 2024 for a further one-year term with the Landlord.

4. VR stated that the Tenants first provided a written 60-day notice to the Landlord on April 30, 2025 with a termination date of June 30, 2025 as her parents wanted to terminate their lease for personal reasons. She stated that the Landlord did not accept their termination notice and suggested that they look into assigning their lease.
5. VR stated that her parents requested that they be able to assign their lease to a specific couple and provided financial information to the Landlord on May 31, 2025 regarding the proposed tenants. She stated that the Landlord refused the assignment because the proposed tenants were newcomers to Canada and she insisted that they pay 4 months' rent in advance prior to accepting them. These text messages were found in the Tenants' evidence package and were read aloud.
6. VR stated that her parents served an N9 form to the Landlords on June 10, 2025 with a termination date of July 8, 2025 as the Landlord refused the assignment. Despite this, the Tenants provided another request to assign their lease on June 16, 2025 to another couple and the Landlord refused that request too.
7. VR stated that her parents paid a \$100.00 key deposit, a \$500.00 security deposit and a last month's rent deposit of \$1,840.00 at the commencement of the tenancy. VR stated that the Landlord told her parents that a landlord only returns the last month's deposit at "the end of the lease, minus any deductions for damages." The Tenants are also seeking the reimbursement of the application fee.

Evidence of Noddy Lam (NL)

8. NL testified that his mother and the Tenants signed a new one-year lease in October of 2024 and felt that the Tenants could not terminate their lease until October 31, 2025.
9. NL confirmed that the Landlord refused to allow the Tenants to assign their lease to other tenants. He stated that his mother was not required to accept the assignment of the lease and that his mother had concerns about the people involved.
10. NL stated that his mother did not have to return the last month's rent deposit or the other deposits because the Tenants breached their contract.

Analysis

11. Both parties testified in a straightforward matter and each party provided text messages and email messages to corroborate their evidence. Neither party challenged the evidence of the other party. The challenge in this matter includes how the Landlord and the Tenants interpret and understand the Act especially when dealing with the termination of the tenancy.

Termination of Tenancy

12. Section 95 of the *Residential Tenancies Act*, 2006 (hereinafter referred to as the "Act") provides that a tenant may assign a rental unit to someone else with the consent of the landlord. Section 95(4) goes on to provide that: A tenant may give the landlord a notice of termination under section 96 within 30 days after the date a request is made if,

- a) The tenant asks the landlord to consent to an assignment of the rental unit and the landlord refuses consent,
 - b) The tenant asks the landlord to consent to an assignment of the rental unit and the landlord does not respond within seven days after the request is made,
 - c) The tenant asks the landlord to consent to an assignment of the rental unit to a potential assignee and the landlord refuses consent to the assignment under clause (3) (c); or
 - d) The tenant asks the landlord to consent to an assignment of the rental unit to a potential assignee and the landlord does not respond within seven days after the request is made.
13. Section 96(2) clarifies that a tenant may give a notice to terminate under section 95(4) and that the termination date specified in the notice must be at least the lesser of the notice period otherwise required under the Act or 30 days.
14. Here, the Tenants testified that they had a one-year fixed term lease that commenced October 1, 2024 and ended October 31, 2025. Section 44(4) of the Act provides that 60 days' notice is required to terminate a fixed-term tenancy. Therefore, the lesser of the period from section 44(4) and section 96(2) is 30 days.
15. The Tenants' evidence regarding the Landlord's refusal of the assignment was not contested and text messages were read aloud confirming each party's position. As such, the Tenants were permitted to terminate the tenancy under section 95(4)(c) and they provided their N9 notice on June 10, 2025 with a termination date of July 8, 2025.
16. I am satisfied that the Tenants provided 30 days' notice in the N9 notice and that they vacated the rental unit on July 8, 2025.
17. Therefore, the tenancy lawfully terminated on July 8, 2025.

Last Month's Rent Deposit

18. Section 134(1.1) of the Act provides: No landlord shall, directly or indirectly with respect to any rental unit, collect or require or attempt to collect or require from a former tenant of the rental unit any amount of money purporting to be rent in respect of, a) any period after the tenancy has terminated and the tenant has vacated the rental unit, or b) any period after the tenant's interest in the tenancy has terminated and the tenant has vacated the rental unit.
19. Given the tenancy terminated on July 8, 2025 and the Tenants vacated the rental unit on July 8, 2025, the Tenants' obligation to pay rent also ended that day and any rent collected for the period between July 9, 2025 to July 31, 2025 was prohibited.
20. I am satisfied the Tenants paid the Landlord a last month's rent deposit of \$1,840.00 and the Landlord applied that deposit to the rent owing for July of 2025. However, because the tenancy terminated on July 8, 2025, the Landlord should have returned the excess rent the Tenants paid for the remainder of the month on a prorated basis.

21. Based on the monthly rent, the daily compensation is \$60.49. This amount is calculated as follows: $\$1,840.00 \times 12$, divided by 365 days. As the Tenants vacated the unit on July 8, 2025, they owe the Landlord rent for those 8 days, $8 \times \$60.49 = \483.92 .
22. Therefore, the Landlord shall pay to the Tenants \$1,356.08 ($\$1840.00 - \483.92) representing the excess rent collected.
23. Section 134(1)(a) of the Act states that "Unless otherwise prescribed, no landlord shall, directly or indirectly, with respect to any rental unit, (a) collect or require or attempt to collect or require from a tenant, prospective tenant or former tenant of the rental unit a fee, premium, commission, bonus, penalty, key deposit or other like amount of money whether or not the money is refundable."
24. I am satisfied that the Landlord charged illegal fees of \$500.00 for the security deposit and \$100.00 for the key deposit which is in contravention of section 134(1)(a) of the Act.

It is ordered that:

1. The total amount the Landlord shall pay the Tenants is \$2,004.08. This amount represents:
 - \$1,356.08 for excess rent collected.
 - \$600.00 for the illegal charge collected.
 - \$48.00 for the application fee.
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2. The Landlord shall pay the Tenants the full amount owing by March 24, 2026.
3. If the Landlord does not pay the Tenants the full amount owing by March 24, 2026, the Landlord will owe interest. This will be simple interest calculated from March 25, 2026 at 4.00% annually on the balance outstanding.

March 13, 2026
Date Issued

Carrie Bertrand
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.