



Order under Section 135 Residential Tenancies Act, 2006

Citation: Nguyen v Le, 2026 ONLTB 21565

Date: 2026-03-12

File Number: LTB-T-056548-25

In the matter of: 511 LANA TERR
MISSISSAUGA ON L5A3B2

Between: Manh An Nguyen
Linh Thi My Nguyen
Tenants

And

Ky Le
Landlord

Manh An Nguyen and Linh Thi My Nguyen (the 'Tenants') applied for an order determining that Ky Le (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on February 24, 2026.

The Landlord, one of the Tenants, Manh Nguyen, and the Tenant's interpreter, Ngan Nguyen, attended the hearing. Manh Nguyen confirmed he had authority to speak on behalf of the second named Tenant.

Determinations:

1. As explained below, the Tenants proved some the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must pay the Tenants \$1,700.00.

Illegal Charge

2. The Tenant testified that one evening when his sister was using the dryer, it started producing smoke. The Landlords' position is that the Tenant's sister overloaded the dryer, causing the damage.
3. The Tenants arranged for a technician to inspect the dryer. The Technician advised the Tenants that although the dryer was old, there was nothing wrong with it, but that it should not run for extended periods of time. The technician opined that it would cost less to replace the dryer than repair it. Although the Tenants were of the view that they had not damaged the dryer, they agreed to split the cost of a new dryer with the Landlords. The Tenant said that he paid the Landlords \$800.00 towards a new dryer on January 29, 2025. He stated that

when the Tenants vacated the unit on June 30, 2025, the new dryer had not been installed in the unit. Instead, the Tenants were provided access to the Landlords' dryer upstairs.

4. The Landlord stated that the Tenants paid \$700.00 towards the new dryer, not \$800.00. He stated that the broken dryer was part of a stackable washer/dryer set and it took him considerable time to locate the matching replacement dryer. That replacement dryer was now been installed in the unit after the Tenants vacated.
5. Based on the evidence before me, I find that the Landlord did not collect a charge which is not allowed by the *Residential Tenancies Act, 2006* (the 'Act'). There is no documentary evidence, such as a report from the dryer technician, to confirm that damage to the dryer was not undue (i.e. beyond normal wear and tear). The Tenant's repair technician did not attend the hearing to testify as to the damage. In my view, the agreement between the parties appears to have been consensual. As such, the Tenants have not proven that contributing an amount towards a new dryer constitutes an illegal charge.

Rent deposit not applied to last month of tenancy

6. It is undisputed that:
 - the Landlord collected a last month's rent deposit from the Tenants on February 1, 2024 in the amount of \$1,700.00.00
 - the monthly rent was \$1,850.00
 - the Tenants vacated the unit on June 30, 2025
 - the Tenants paid rent for June 2025
7. The Landlord admitted that the Landlords agreed to return the rent deposit to the Tenants but have not done so, alleging that there was a verbal agreement that the Landlord could deduct amounts for damage to the unit.
8. Section 106(10) of the Act provides that a Landlord must apply a rent deposit to the last rent period before the tenancy terminates. In other words, it cannot be used for anything other than last months' rent. If the Landlords allege there is damage to the unit, the Landlords must file an application with the Board to prove those damages. The Landlords cannot unilaterally apply the last months' rent deposit to alleged damages.
9. I find that the Landlords did not use the Tenants' rent deposit to pay for the last rental period of the tenancy and did not return the deposit to the Tenants. This is prohibited by the *Residential Tenancies Act, 2006* (the 'Act').

It is ordered that:

1. The total amount the Landlord shall pay the Tenants is \$1,700. This amount represents:
 - \$1,700.00 for the last month's rent deposit.

2. The Landlord shall pay the Tenants the full amount owing by March 23, 2026.
3. If the Landlord do not pay the Tenants the full amount owing by March 23, 2026, the Landlord will owe interest. This will be simple interest calculated from March 24, 2026 at 4.00% annually on the balance outstanding.

March 12, 2026
Date Issued

Karen Gonçalves
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.