



Order under Section 57 Residential Tenancies Act, 2006

Citation: Khemthong v LMB Properties (Leigh Bianco, Marco Bianco) c/o Ryis Properties Inc.,
2026 ONLTB 27747

Date: 2026-04-02

File Number: LTB-T-044290-25

In the matter of: B, 941 Elgin Street
Newmarket ON L3Y3C2

Between: Hannah Victoria Marcelle Khemthong Tenants
Aekjaree Khemthong

And

LMB Properties (Leigh Bianco, Marco Bianco) c/o Ryis Properties Inc. Landlords

Hannah Victoria Marcelle Khemthong and Aekjaree Khemthong (the 'Tenants') applied for an order determining that LMB Properties (Leigh Bianco, Marco Bianco) c/o Ryis Properties Inc. (the 'Landlords') gave a notice of termination in bad faith.

This application was heard by videoconference on March 3, 2026.

One of the Landlords, Leigh Bianco ('LB'), the property manager's agent, Anthony De Guzman, and the Tenants attended the hearing.

Determinations:

Preliminary Issue

Who is the Landlord?

1. Leigh Bianco and Marco Bianco are the owners of the corporate Landlord, LMB Properties.
2. Ryis Properties Inc. was the property management company that managed the residential property for the Landlords during the tenancy.
3. Nicole Bridges is the owner of Ryis Properties Inc. Ryis Properties Inc. is no longer the Landlords' property manager.
4. Despite Nicole Bridges being named as the Landlord on the Landlord's L2 application based on the N12 notice of termination (LTB-L-030389-24), I am satisfied that LMB Properties, Leigh Bianco and Marco Bianco are the Landlords as identified in the Tenants' application.

The Application

5. As explained below, the Tenants proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlords must pay the Tenants \$19,224.00.

The Law

6. Subsection 57(1)(a) of the *Residential Tenancies Act, 2006* (the 'Act') requires the Tenants to prove each of the following on a balance of probabilities:
- The Landlords gave the Tenants an N12 notice of termination under section 48 of the Act;
 - The Tenants vacated the rental unit as a result of the N12 notice of termination;
 - No person referred to in subsection 48(1) of the Act occupied the rental unit within a reasonable time after the Tenants vacated; and
 - The Landlords served the N12 notice of termination in bad faith.
7. It is undisputed that the Landlords gave the Tenants an N12 notice of termination in or around April 8, 2024 stating that the Landlords required the rental unit for residential occupation by their daughter, Meagan Bianco. The termination date in the notice was June 30, 2024.
8. It is also undisputed that the Tenants moved out of the unit on May 31, 2024 pursuant to the N12 notice of termination.
9. It is also undisputed that the Landlords' daughter never moved into the unit and that the unit was rented to a new tenant in April 2025, less than one year after the Tenants vacated.
10. Therefore, the remaining issue I must decide is:
- 1) whether the Landlords gave the N12 notice in bad faith.

Presumption of Bad Faith

11. The Landlords do not dispute that they listed the rental unit for rent less than a year after the Tenants vacated. Section 57(5) of the Act provides:

For the purposes of an application under clause (1) (a), it is presumed, unless the contrary is proven on a balance of probabilities, that a Landlord gave a notice of termination under section 48 in bad faith, if at any time during the period described in subsection (6) the Landlord,

- (a) advertises the rental unit for rent;
- (b) enters into a tenancy agreement in respect of the rental unit with someone other than the former Tenants;

...

12. Since the reverse onus provision of s. 57(5) is engaged in this instance, the bad faith of the Landlord is assumed and the burden shifts to the Landlord to prove that the notice was given in good faith.
13. LB's evidence is that there was a material change in circumstances which occurred after the Tenants vacated the rental unit, specifically, that their daughter and her fiancé broke up and their daughter could not afford to leave her job in Orillia to move into the rental unit.
14. LB admitted she had been planning to sell the property, but when her daughter found out, she expressed an interest in moving into the property with her fiancé because he had started a new job in Toronto. The rental property was much closer to Toronto than their current home in Orillia. The plan was for her daughter and fiancé to live in the house for a year and if they liked the home and Newmarket, the Landlords would sell the home to them.
15. LB testified that after the Tenants vacated, the Landlords had to clean and renovate the house. They took their time because their daughter and fiancé were not in a rush to move in. In September 2024, their daughter's engagement ended and she could no longer afford to leave her job in Orillia. The Landlords slowed down the renovation process, hoping that their daughter and her ex-fiancé would get back together. When it became evident that was not going to happen, the Landlords listed the property for rent less than a year after the Tenants moved out. LB stated that she did not offer the unit back to the Tenants because she had fired the property management company (i.e. Ryis) and did not have any contact information for the Tenants.

Was the N12 notice served in bad faith?

16. For the following reasons, I find that the N12 notice was served in bad faith. First, although LB testified that the state of the unit (garbage, clutter, damage) resulted in the Landlords having to clean and renovate the unit, there was no documentary evidence, such as photographs, or witnesses to corroborate that the clean up and repairs were so extensive that the Landlords' daughter could not have moved in prior to her relationship breaking down four months' later. LB admitted that her daughter was in no hurry to move in and that it was not just the rental unit that was renovated, it was the entire house, including the garage and backyard.
17. Second, while there is no statutory requirement that the person who intends to occupy the rental unit participates in the hearing, I find it curious that the Landlords' daughter did not attend the hearing, especially since it was her change in circumstances, not the Landlords, which led to her not moving into the unit.
18. In *Parris v. Laidley*, [2012 ONCA 755](#), the Court of Appeal for Ontario stated that "drawing adverse inferences from failure to produce evidence is discretionary" and "the inference should not be drawn unless it is warranted in all the circumstances". This was a contentious case and the intention of the Landlord's daughter was a central issue. Therefore, I find it surprising that the Landlords did not call their daughter to give evidence to support their application. No explanation was provided as to why she did not attend the hearing, given that she would have provided the best evidence of her intention to occupy the unit. The Landlords have the burden of rebutting the presumption of bad faith and I find it appropriate to draw

an adverse inference from their failure to call a relevant and important witness to support their application and LB's version of the events.

19. Third, there is no documentary evidence whatsoever (i.e. emails or text messages) nor any witnesses to corroborate LB's testimony that her daughter's relationship had ended and thus she could not move into the rental unit.
20. In all of the circumstances, and in light of the reverse onus that applies, I am not satisfied that the Landlords have rebutted the presumption of bad faith. Therefore, I find that the Landlords served the notice of termination in bad faith and the Tenants' application must be granted.

Remedies

21. The next issue before me is the quantum of remedies to award the Tenants. The only remedy the Tenants are requesting is compensation for the difference in rent between the rental unit and their new unit.
22. When the Tenants vacated on May 31, 2024, their monthly rent was \$1,302.00. The Tenants' new rent is \$2,900.00, which is a difference of \$1,598.00 per month. The rental unit was a two-bedroom basement unit with lots of closet space, a shared back yard, their own laundry and parking. The Tenants' new home is a two bedroom plus den upper unit with their own laundry, a shared back yard and parking. The Tenants stated that their new unit comparable to the rental unit. The only significant difference is that they lost closet space but gained a den.
23. The Landlords did not challenge the Tenants' evidence regarding their new unit. Therefore, I find that the Landlords must pay the Tenants \$19,176.00 for the increased rent that the Tenants have incurred for a one-year period after the Tenants moved out of the rental unit.

It is ordered that:

1. The total amount the Landlords shall pay the Tenants is \$19,224.00. This amount represents:
 - \$19,176.00 for increased rent the Tenants have incurred for the one-year period from June 1, 2024 to May 31, 2025.
 - \$48.00 for the cost of filing the application.
2. The Landlords shall pay the Tenants the full amount owing by April 13, 2026.
3. If the Landlords do not pay the Tenants the full amount owing by April 13, 2026, the Landlords will owe interest. This will be simple interest calculated from April 14, 2026 at 4.00% annually on the balance outstanding.

April 2, 2026
Date Issued

Karen Gonçalves
Member, Landlord and Tenant Board

15 Grosvenor Street, Ground Floor
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If you have any questions about this order, call 416-645-8080 or toll free at 1-888-332-3234.