



Order under Section 135 Residential Tenancies Act, 2006

File Number: LTB-T-057599-25

In the matter of: 4108, 42 Charles st E CHARLES ST E
Toronto ON M4Y0B7

Between: Yufei Yao Tenant
Yuchen Liu

And

Qiyang Yang Landlord
Wingkit Leung

Yufei Yao and Yuchen Liu (the 'Tenant') applied for an order determining that Qiyang Yang and Wingkit Leung (the 'Landlord') collected or retained money illegally.

This application was heard by videoconference on February 25, 2026.

The Landlord, Wingkit Leung and the Tenant attended the hearing.

Determinations:

1. As explained below, the Tenant proved the allegations contained in the application on a balance of probabilities. Therefore, the Landlord must pay to the Tenant \$1,136.03.

Illegal charge collected

2. The Landlord collected a charge which is not allowed by the *Residential Tenancies Act, 2006* (the 'Act'). The Tenant testified that the tenancy commenced on July 1, 2024, and terminated on June 22, 2025. The monthly rent was \$3,550.00. The Tenant paid various amounts to the Landlord at the outset of the tenancy, including \$1,600.00 on June 29, 2024, which the Tenant described as comprising a \$1,000.00 damage deposit and a \$600.00 key deposit. The Tenant also referenced a money order in the amount of \$37,100.00, said to represent ten months' rent and the deposit amounts. The Tenant relied on documentary evidence, including WeChat communications with the Landlord, confirming the existence and payment of the damage deposit and key deposit.
3. The Tenant testified that they vacated the rental unit on June 22, 2025, as they were leaving the country. The Tenant stated that they did not receive instructions from the Landlord regarding the return of the keys until approximately 8:00 p.m. on June 22, 2025,

after they had already departed. As a result, the Tenant arranged for a friend to return the keys. The Tenant explained that they required time to obtain a VPN in order to access communications from outside Canada and coordinate the return.

4. The Tenant testified that their friend couriered at least one set of keys on June 30, 2025, which was received shortly thereafter. The Tenant stated that two sets of keys, including fobs and mailbox keys, were required to be returned and maintained that the second set was also returned, although no confirmation or proof of delivery was provided.
5. During cross-examination, the Tenant acknowledged that the first documented complaint regarding the sliding door by email was made on June 15, 2025, although they maintained that the issue had previously been discussed via WeChat. The Tenant confirmed that they did not seek the Landlord's permission before giving the keys to a friend for return but stated that this was necessary due to the lack of timely instructions and their departure from the country.
6. The Tenant was unable to confirm the exact date on which the second set of keys was returned and acknowledged that they did not notify the Landlord when the second set was allegedly sent. The Tenant testified that the termination date changed once, from June 19, 2025, to June 22, 2025, and that a signed N11 agreement was ultimately provided on June 22, 2025.
7. the Tenant testified that the issue with the sliding door was raised with the Landlord prior to vacating, including during an inspection on May 30, 2025, and again by email on June 15, 2025. The Tenant stated that the door was still functional but not operating smoothly. The Tenant's position is that the issue was pre-existing and not caused by any negligence.
8. The Tenant seeks the return of \$1,600.00, along with the application filing fee of \$48.00. The Tenant disputes the Landlord's claim for holdover rent, stating that rent was paid for the month of June and that they vacated the unit on June 22, 2025, in accordance with the agreed termination.

Landlord's Evidence

9. The Landlord testified that the key deposit would be returned upon receipt of all keys. The Landlord stated that on July 2, 2025, they were notified that a parcel had arrived at the concierge and retrieved one set of keys. The Landlord testified that they attempted to contact the Tenant regarding the missing second set of keys but received no response. The Landlord stated that due to the missing keys and uncertainty regarding who may have had access to the unit, they treated the situation as a security concern. As a result, the Landlord incurred costs to replace the unit lock (\$281.37), the mailbox lock (\$131.10), and a replacement fob (\$51.50).
10. The Landlord further testified that they did not have access to the unit until July 2, 2025, as they were unsure whether the Tenant or another individual remained in possession due to the involvement of an unknown third party. With respect to the sliding door, the Landlord testified that the issue was first raised on June 15, 2025, shortly before the end of the tenancy. The Landlord chose not to repair the issue immediately due to the proximity of the move-out date but later retained a contractor. The contractor provided a receipt dated July

15, 2025, which included a comment indicating that the damage was “unlikely” caused by normal wear and tear.

11. The Landlord also submitted evidence of communications, including follow-up emails dated July 11, 2025, requesting the return of the second set of keys. The Landlord claims entitlement to retain the deposits and seeks compensation for a holdover period from June 22 to July 2, 2025, calculated on a per diem basis.

Landlord’s Cross Examination

12. During cross-examination, the Landlord acknowledged that there was no documentary evidence from property management requiring the mailbox lock to be changed, stating that this information was provided verbally. The Landlord confirmed that they did not receive the second set of keys and were not notified by the Tenant of any additional shipment.
13. The Landlord acknowledged that the contractor’s opinion on the sliding door was based on a general assessment rather than a definitive determination of cause.
14. The Landlord was questioned about access to the unit and acknowledged that they did not obtain entry through building management, stating that they did not feel authorized to do so without clear confirmation that the unit was vacant. The Landlord also confirmed receipt of the N11 agreement with a termination date of June 22, 2025.
15. During cross-examination, the Landlord acknowledged that there was no documentary evidence from property management requiring the mailbox lock to be changed, stating that this information was provided verbally.
16. With respect to the sliding door, the Landlord acknowledged that the contractor’s opinion was based on a general assessment rather than a definitive determination of cause.
17. The Landlord was questioned about access to the unit and acknowledged that they did not obtain entry through building management, stating that they did not feel authorized to do so without clear confirmation that the unit was vacant. The Landlord also confirmed receipt of the N11 agreement with a termination date of June 22, 2025.

Analysis

18. The primary issues to be determined are whether the Landlord must return the \$1,600.00 collected from the Tenant, whether the Landlord is entitled to retain any portion of the key deposit, and whether the Landlord has established entitlement to compensation for a holdover period or alleged damage to the unit.
19. The evidence establishes that the Landlord collected \$1,000.00 as a damage deposit and \$600.00 as a key deposit. Pursuant to the Residential Tenancies Act, 2006, a landlord is not permitted to collect a damage deposit. Accordingly, the \$1,000.00 must be returned to the Tenant regardless of any alleged damage.
20. With respect to the key deposit, the Act permits a landlord to retain an amount only to the extent of the actual replacement cost of keys or access devices. I find that the Landlord has established, on a balance of probabilities, that the second set of keys was not

returned. The Tenant's evidence on this point was uncertain and unsupported by documentation or confirmation of delivery.

21. The Landlord provided receipts demonstrating costs incurred to replace the unit lock (\$281.37), mailbox lock (\$131.10), and a fob (\$51.50). I accept that these costs were reasonably incurred as a result of the missing keys. However, the Landlord may retain only the amount necessary to cover these actual costs and must return any excess portion of the key deposit. The Landlord is entitled to retain \$463.97 from the key deposit.
22. With respect to the claim for holdover rent, I am not satisfied that the Landlord has established that the Tenant remained in possession of the unit after June 22, 2025. The parties agreed to terminate the tenancy on that date, and the Tenant vacated accordingly. While the return of the keys was delayed, this delay was influenced by the timing of the Landlord's instructions and the Tenant's departure from the country.
23. I find that the Tenant made reasonable efforts to return the keys under the circumstances. The delay in receiving the keys does not establish continued occupation or justify a claim for additional rent. The Landlord's claim for a holdover period is therefore dismissed.
24. I am not satisfied that the Tenant remained in possession of the rental unit after June 22, 2025. The evidence establishes that the Tenant vacated the unit on that date. The delay in returning the keys was influenced by the timing of the Landlord's instructions and the Tenant's departure from the country. I find that the Tenant made reasonable efforts to return the keys in the circumstances.
25. The Tenant testified that they paid rent for the month of June 2025 using a last month's rent deposit. The tenancy terminated on June 22, 2025. Where a tenancy ends before the end of a rental period for which rent has been prepaid through a last month's rent deposit, the landlord is required to refund any unused portion of that deposit. There is no evidence before me that the Landlord accounted for or returned the pro-rated balance for the period from June 23 to June 30, 2025. Accordingly, the Tenant is entitled to a refund of the unused portion of the last month's rent deposit, calculated on a pro-rated basis.
26. The Landlord's claim for compensation for a holdover period is dismissed.
27. With respect to the sliding door, I find that the Landlord has not established that the damage was caused by the Tenant. The evidence indicates that the issue was raised prior to the end of the tenancy. The contractor's opinion is not sufficiently definitive to establish that the damage resulted from anything other than normal wear and tear.
28. In any event, the Landlord cannot apply an unlawful damage deposit toward repair costs. Any such claim would need to be pursued through a separate application.
29. For these reasons, the Tenant is entitled to the return of the damage deposit and the balance of the key deposit after deducting proven replacement costs. The Tenant is also entitled to a refund of the unused portion of the last month's rent deposit, calculated on a pro-rated basis.

It is ordered that:

1. The total amount the Landlord shall pay the Tenant is \$2,246.46. This amount represents:
 - \$1,000.00 for the illegal damage deposit collected.
 - \$136.03 balance of key deposit collected.
 - 933.68 pro-rated refund of the last month's rent deposit for the period June 23, 2025 to June 30, 2025.
 - \$128.75 for interest on the last month's rent deposit.
 - \$48.00 for the cost of filing the application.
2. The Landlord shall pay the Tenant the full amount owing by May 12, 2026.
3. If the Landlord does not pay the Tenant the full amount owing by May 12, 2026, the Landlord will owe interest. This will be simple interest calculated from May 13, 2026, at 4.00% annually on the balance outstanding.

May 1, 2026
Date Issued

Nathan Korenberg
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.