Order under Section 135 Residential Tenancies Act, 2006

File Number: TNT-24482-20

TNT-23706-20 TNT-23705-20

In the matter of: 2008, 10 NORTHTOWN WAY

NORTH YORK ON M2N7L4

Between: Sufang Wu Tenants

Xiufei Zhang

and

Fengge Li Landlord

Sufang Wu and Xiufei Zhang (the 'Tenants') applied for an order determining that Fengge Li (the 'Landlord') has collected or retained money illegally (TNT-24482-20).

Sufang Wu and Xiufei Zhang (the 'Tenants') applied for an order determining that Fengge Li (the 'Landlord') or the Landlord's agent harassed, obstructed, coerced, threatened or interfered with them, entered the rental unit illegally and substantially interfered with the reasonable enjoyment of the rental unit or residential complex by the Tenants or by a member of their household (TNT-23706-20).

Sufang Wu and Xiufei Zhang (the 'Tenants') applied for an order determining that Fengge Li (the 'Landlord') failed to meet the Landlord's maintenance obligations under the Residential Tenancies Act, 2006 (the 'Act') or failed to comply with health, safety, housing or maintenance standards (TNT-23705-20).

The applications were heard by video conference on July 15, 2021. Only the Tenant, Sufang Wu and the Tenant's Legal Representative, Y. Li attended the hearing. Sufang Wu attended on behalf of both Tenants on Xiufei Zhang's authorization.

Determinations:

1. Xiufei Zhang (XZ), moved into the rental unit in November 2016 and at that time paid a rent deposit of \$2,150.00 to the Landlord. In November 2018, the Tenant joined XZ in the unit and they both signed a new tenancy agreement with the Landlord and paid a last month's rent deposit of \$2,300.00. A copy of the tenancy agreement was presented as evidence at the hearing. The Tenants vacated the unit on February 1, 2020.

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2. The Tenant testified that the Landlord collected a damage, cleaning and key deposit of \$2,150.00 from XZ at the start of the tenancy and this amount was not returned by the Landlord. A copy of the receipt from the Landlord's Agent was given to XZ in October 2016 and presented as evidence.

- 3. The Tenant requested an order for the return of the damage deposit as well as the payment of interest on the last month's rent deposit of \$2,150.00 for the period from November 2016 to October 2018. In addition, interest on the last month's rent deposit of \$2,300.00 collected in November 2018 is owed to the Tenants to January 31, 2020.
- 4. The Tenant's claim that the Landlord collected an illegal rent increase from October 2018 was denied as the parties signed a tenancy agreement and agreed on the monthly rent of \$2,300.00 which the Tenants paid for over a year.
- 5. The Landlord failed to pay the Tenants interest on the last month's deposit, as required by the Act. Section 106 (6) of the *Residential Tenancies Act, 2006* ('the Act') states that a landlord of a rental unit shall pay interest to the tenant annually on the amount of the rent deposit at a rate equal to the guideline determined under section 120 that is in effect at the time payment becomes due. XZ moved into the rental unit in November 2016 and paid the last month's rent deposit of \$2,150.00 and is therefore entitled to interest of \$75.10 for the period ending October 31, 2018.
- 6. XZ and the Tenant signed a new tenancy agreement with the Landlord and paid the last month's rent deposit of \$2,300.00. The Tenants are entitled to the interest of \$52.62 on the last month's rent deposit from November 2018 to January 31, 2020.
- 7. Section 105 (1) of the Act, states that the only security deposit that a Landlord may collect is a rent deposit and section 134(1) specifically prohibits the collection of a key deposit. Section 17 of O.Reg. 516/06 to the Act provides for certain exceptions from section 134(1) including "Payment of a refundable key, remote entry device or card deposit, not greater than the expected direct replacement costs".
- 8. In this case the key, cleaning and damage deposit of \$2,150.00 collected by the Landlord is more than "the expected direct replacement costs" for the keys and was not refunded to the Tenants at the end of the tenancy. Therefore, the deposit was illegal, and must be returned to the Tenants.

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- 9. The Tenant testified that on November 9, 2019, the Landlord's agent attended the unit to take pictures prior to placing the unit for sale. During the visit, he threatened to evict the Tenants if they did not cooperate with the viewing.
- 10. The Tenant stated that on January 10, 2020, she received a call from an unknown person to view the rental unit which was on sale. The Tenant contacted the Landlord and her agent to inform them not to give her number to potential purchasers.

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11. The Tenant was subsequently given a Notice of Entry by the Landlord and on January 11, 2020, 13 agents viewed the unit from 10 a.m. to 5p.m. On January 12, 2020, 8 agents viewed the unit during the same time period. The Tenant testified that she was home at the time and her day was disrupted by the visits and they took pictures of her personal belongings in the closet which they opened.

12. Section 27 (2) of the Act provides:

Entry with notice

A landlord or, with the written authorization of a landlord, a broker or salesperson registered under the Real Estate and Business Brokers Act, 2002, may enter a rental unit in accordance with written notice given to the tenant at least 24 hours before the time of entry to allow a potential purchaser to view the rental unit.

- 13. In this case, the Landlord, at least 24 hours prior to the time of entry, gave the Tenants a Notice of Entry to show the unit and this was done within reasonable hours from 10:00 a.m. to 5:00 p.m. Therefore, I do not find that the Landlord entered the rental unit illegally.
- 14. Section 22 of the Act provides that a landlord shall not at any time during a tenant's occupancy of a rental unit and before the day on which an order evicting the tenant is executed substantially interfere with the reasonable enjoyment of the rental unit or the residential complex in which it is located for all usual purposes by a tenant or members of his or her household. In addition, section 23 of the Act provides that a landlord shall not harass, obstruct, coerce, threaten or interfere with a tenant.
- 15. While the threat by the Landlord's agents was unpleasant, this incident occurred once and was not repeated at another time. Therefore, I am not satisfied that the Landlord substantially interfered with the reasonable enjoyment of the unit.

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- 16. The Tenant testified that from the start of the tenancy, the microwave and oven in the unit did not work and even though the Landlord was informed in May 2019, they were not fixed to the date the Tenants vacated the unit.
- 17. The curtains in the unit were broken and the sole electrical outlets in both bathrooms in the unit did not work. The Landlord was informed of this in May 2019, reminded in October 2019 and again at the beginning of November 2019 when the Landlord's agent attended the unit. The agent told the Tenants they will be charged \$100.00 for the repairs of each item complained about and will be deducted from the damage deposit.
- 18. Section 20 (1) of the Residential Tenancies Act, 2006 ("Act"), provides that a Landlord is responsible for providing and maintaining a residential complex, including the rental units in it, in a good state of repair and fit for habitation and for complying with health, safety, housing and maintenance standards. The Landlord failed to respond to the Tenant's

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request for repairs to the microwave, oven, curtains and electrical outlets despite being informed of the problems in May 2019.

19. As a result, the Landlord will be ordered to pay to the Tenants rent abatement of 2% monthly (\$46.00) for the period from May 2019 to January 2020 for a total of \$414.00.

It is ordered that:

- 1. The Landlord shall pay to the Tenants the sum of \$2,150.00. This amount represents the damage, cleaning and key deposit illegally collected by the Landlord.
- 2. The Landlord shall pay to the Tenants \$75.10 interest on the last month's rent deposit of \$2,150.00 for the period from November 2016 to October 2018.
- 3. The Landlord shall pay to the Tenants \$52.62 interest on the last month's rent deposit of \$2,300.00 for the period from November 2018 to January 2020.
- 4. The Landlord shall pay to the Tenants \$414.00 for the Landlord's failure to maintain the rental unit.
- 5. The Landlord shall also pay to the Tenants \$150.00 for the cost of filing all three application.
- 6. The total amount the Landlord owes to the Tenants is \$2,841.72.
- 7. If the Landlord does not pay the Tenants the full amount owing by July 30, 2021, the Landlord will owe interest. This will be simple interest calculated from July 31, 2021 at 2.00% annually on the outstanding balance.

July 19, 2021 Date Issued

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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.