

**INTRODUCTION**

- [1] The Tenant applied for compensation from the Landlord for double the security deposit plus interest and for additional compensation for painting the Unit, in the amount of \$3,000.00.
- [2] The Landlord applied for compensation from the Tenant for damage in the amount of \$2,587.00.

**DISPOSITION**

- [3] I find that the Landlord must compensate the Tenant double the security deposit plus interest on the original security deposit, in the amount of \$1,249.75. The Tenant must compensate the Landlord for damage in the amount of \$150.00.
- [4] There is a net amount payable by the Landlord to the Tenant, in the amount of \$1,099.75.

**BACKGROUND**

- [5] On November 30, 2017 the parties entered into a written, fixed-term tenancy agreement, which continued on a month-to-month basis. On December 1, 2017 a \$600.00 security deposit was paid. Rent was \$1,300.00 due on the first day of the month.
- [6] On or around September 30, 2024 the Tenant vacated the Unit and the tenancy ended.
- [7] On October 17, 2024 the Tenant filed a *Form 2 (A) Tenant Application to Determine Dispute* (the "Tenant's Application") with the Residential Tenancy Office (the "Rental Office") seeking compensation for double the \$600.00 security deposit, plus interest. The Tenant amended the Application to request additional compensation in the amount of \$3,000.00.
- [8] On October 30, 2024 the Landlord filed a *Form 2 (B) Landlord Application to Determine Dispute* (the "Landlord's Application") with the Rental Office seeking compensation from the Tenant for damage in the amount of \$2,587.00.
- [9] On October 31, 2024 the Rental Office mailed the parties notice of a teleconference hearing scheduled for November 28, 2024, along with a copy of the Tenant's Application and the Landlord's Application.
- [10] On November 15, 2024 the Rental Office emailed the parties a 49-page PDF document (the "Evidence Package" or "EP").
- [11] On November 28, 2024 the Tenant, a translator for the Tenant and the Landlord participated in a teleconference hearing. The parties confirmed receipt of the Evidence Package and the parties also confirmed that all documents submitted to the Rental Office were included in the Evidence Package.

**ISSUES**

- i. Must the Landlord compensate the Tenant double the security deposit plus interest?
- ii. Must the Landlord compensate the Tenant additional compensation for painting?
- iii. Must the Tenant compensate the Landlord for damage?

**ANALYSIS****i. Must the Landlord compensate the Tenant double the security deposit plus interest?**

- [12] For the reasons below, I find that the Landlord must compensate the Tenant double the security deposit, plus interest on the principal security deposit amount.
- [13] Section 40 of the *Residential Tenancy Act* (or the "Act") addresses the retention and return of a security deposit, stating in part as follows:
- (1) *Except as provided in subsection (2) or (3), within 15 days after the date the tenancy ends or is assigned, the landlord shall either*
    - (a) *issue payment, as provided in subsection (5), of any security deposit to the tenant with interest calculated in accordance with the regulations; or*
    - (b) *make an application to the Director under section 75 claiming against the security deposit.*
  - (2) *A landlord may retain from a security deposit an amount that*
    - (a) *the Director has previously ordered the tenant to pay to the landlord; and*
    - (b) *remains unpaid at the end of the tenancy.*
  - (3) *A landlord may retain an amount from a security deposit if*
    - (a) *at the end of a tenancy, the tenant agrees in writing that the landlord may retain the amount to pay a liability or obligation of the tenant; or*
    - (b) *after the end of the tenancy, the Director orders that the landlord may retain the amount.*
  - (4) *Where a landlord does not comply with this section, the landlord*
    - (a) *shall not make a claim against the security deposit; and*
    - (b) *shall pay the tenant double the amount of the security deposit.*
- [14] The tenancy agreement ended on September 30, 2024. The Landlord did not return any of the \$600.00 security deposit to the Tenant or file an application with the Rental Office within 15 days (October 15, 2024).
- [15] There are no earlier Rental Office decisions authorizing the Landlord to retain the Tenant's security deposit. At the end of the tenancy the parties did not enter into a written agreement permitting the Landlord to retain the security deposit.
- [16] As a result, I find that the Landlord did not comply with the section 40 requirements for retaining a security deposit. Therefore, by operation of law, the Landlord must compensate the Tenant double the security deposit plus interest on the principal security deposit amount, in accordance with subsection 40(4) of the Act, as calculated below.

Item	Amount
Security Deposit	\$600.00
Interest (01 DEC 2017 to 24 DEC 2024)	\$49.75
Security Deposit (Double Awarded)	\$600.00
Total	\$1,249.75

**ii. Must the Landlord compensate the Tenant additional compensation for painting?**

- [17] For the reasons below, I find that the Tenant has not established a claim for additional compensation.
- [18] The Tenant is seeking additional compensation for painting and for the Landlord not repairing the Unit, in the amount of \$3,000.00.
- [19] The Tenant stated that in 2020 or 2021, with the Landlord's permission, he painted the Unit and installed some new lights.
- [20] The Tenant stated that the Landlord has not repaired the Unit throughout the tenancy. The Tenant stated that there was a bumblebee infestation during the summer of 2024. Further, there was issues of mould on the drywall. The Tenant submitted photographs of the Unit into evidence.
- [21] The Landlord stated that the Tenant did paint the Unit three or four years ago. The Landlord stated that he offered the Tenant payment for painting the Unit, but the Tenant refused.
- [22] The Landlord stated that he sprayed around the Unit a few times. The Landlord stated that he was not aware that the bumblebees were in the Unit.
- [23] The Landlord stated that the Tenant did not submit an invoice or receipt into evidence to prove the \$3,000.00.
- [24] I have reviewed the evidence and I find that the Tenant has not established a claim for additional compensation. The Tenant has not submitted any invoices or receipts regarding the costs associated with painting the Unit. The parties provided conflicting evidence about the condition of the Unit. However, the parties agreed that the Landlord did some spraying around the Unit to attempt to remedy the bumblebee infestation. This claim is denied.

**iii. Must the Tenant compensate the Landlord for damage?**

- [25] The Landlord claims \$2,587.00 for damage.
- [26] The Landlord stated that on October 1, 2024 a move-out inspection was completed, however, no report was completed. The Landlord stated that it was dark in the Unit so he did not see the extent of some of the damage to the Unit. The Landlord stated that there were some leaky faucets, lighting was improperly installed, drywall needed to be replaced, and many issues with some of the appliances, like the dishwasher, stove and plumbing for the washer and dryer.
- [27] The Landlord stated that the compensation for damage is for the following:
1. Replace two dishwashers;
  2. Replace Range hood;
  3. Replace a toilet;
  4. Plumbing for washer and dryer;
  5. Remove and replace drywall;
  6. Remove lighting.
- [28] The Landlord submitted photographs of the Unit after the tenancy had ended.
- [29] The Tenant disputed causing the damage to the Unit. The Tenant stated that a lot of damage was preexisting. The Tenant stated that during the move-out inspection, the Landlord said there was no damage.

- [30] Clause 39(2)(a) of the Act provides the following rules regarding the condition of a rental unit at the end of the tenancy:

*When a tenant vacates a rental unit, the tenant shall*

*(a) leave the rental unit reasonably clean and undamaged, except for reasonable wear and tear...*

- [31] I note that the Act does not require the Tenant to leave the Unit in move-in ready condition for the next occupant. The applicable standard is "reasonably clean."
- [32] For the reasons below, I find that the Landlord is entitled to \$150.00 in compensation.
- [33] I have reviewed the documentary evidence and note as follows.
- [34] The tenancy lasted for over six years which suggests normal wear and tear would be more present than a shorter tenancy period. Further, the Landlord did not submit any photographs of the Unit prior to the start of the tenancy into evidence. Such evidence is helpful in showing a baseline condition of the Unit. Similarly, a move-in and move-out inspection, accompanied by a *Form 5 Landlord Condition Inspection Report* also is helpful (and now required under the Act) in showing such baseline conditions of rental units.
- [35] I find that the parties provided conflicting testimonies regarding the baseline condition of the Unit, the condition of the Unit throughout the tenancy and the condition of the appliances. The Landlord submitted invoices and receipts into evidence.
- [36] However, I find that the Landlord has not provided sufficient evidence to establish that the Tenant has caused the damage to the Unit and the appliances. The parties testified that appliances needed to be replaced throughout the tenancy, but there is no evidence to establish that the Tenant caused the damage. Therefore, the claims for damage to the repair/replacement of the two dishwashers, range hood, toilet, the plumbing for the washer and dryer and the removal and replacement of the drywall are denied.
- [37] I find that the installation of a new light in the living room is allowed. The Tenant stated that he asked the Landlord about replacing the light and that the Tenant had an electrician come to the Unit and install it. The Landlord stated that the light was improperly installed and disputed if an electrician did install it. The Landlord submitted a copy of a receipt into evidence showing it cost \$150.00 to remove and install a new light.
- [38] I find that the Landlord has provided sufficient evidence to establish the claim to remove and properly install the light in the living room. The claim is allowed in the amount of \$150.00.

## CONCLUSION

- [39] I have offset the Tenant's and the Landlord's established claims that are determined above. The Landlord must pay the Tenant the net amount of \$1,099.75 by the timeline below, calculated as follows:

Item	Amount
Double security deposit plus interest	\$1,249.75
Less total compensation awarded to Landlord	(\$150.00)
Net amount	\$1,099.75

**IT IS THEREFORE ORDERED THAT**

1. The Landlord must pay the Tenant \$1,099.75 by January 15, 2025.

**DATED** at Charlottetown, Prince Edward Island, this 24th day of December, 2024.

(sgd.) Cody Burke

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**Cody Burke**  
**Residential Tenancy Officer**

**NOTICE**

**Right to Appeal**

This Order can be appealed to the Island Regulatory and Appeals Commission (the "Commission") by serving a Notice of Appeal with the Commission and every party to this Order within **20 days of this Order**. If a document is sent electronically after 5:00 p.m., it is considered received the next day that is not a holiday. If a document is sent by mail, it is considered served on the third day after mailing.

**Filing with the Court**

If no appeal has been made within the noted timelines, this Order can be filed with the Supreme Court of Prince Edward Island and enforced as if it were an order of the Court.