

INTRODUCTION

- [1] The Landlord seeks to keep the security deposit for rent owed.
- [2] The Tenant seeks a return of double the security deposit.

DISPOSITION

- [3] The Landlord has established a claim for January 2025 rent.
- [4] The Tenant has established a claim for double the security deposit, interest, and pro-rated December 2024 rent.
- [5] The amounts are offset, and the Landlord will pay the Tenant the net amount of \$980.51.

BACKGROUND

- [6] The Unit is a mobile trailer that the Landlord owns.
- [7] On December 9, 2024, the parties entered into an oral month-to-month tenancy agreement for the Unit. Rent was \$1,100.00 monthly, and a security deposit of \$1,100.00 was required, but only \$900.00 was paid.
- [8] The parties dispute the tenancy's end date.
- [9] On January 23, 2025, the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* (the "Tenant Application") with the Residential Tenancy Office (the "Rental Office"), seeking return of double the security deposit.
- [10] On February 11, 2025, the Rental Office mailed and emailed the parties notice of a teleconference hearing scheduled for March 11, 2025.
- [11] On March 4, 2025, the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* (the "Landlord Application") with the Rental Office, seeking to keep the security deposit for rent owed.
- [12] On March 7, 2025, the Rental Office emailed a 46-page evidence package to the parties.
- [13] On March 11, 2025, the Tenant, the Tenant's witness, and the Landlord participated in a teleconference hearing. The parties stated that they received a copy of the evidence package, and the Tenant stated that all documents submitted to the Rental Office were included in the evidence package. The Landlord submitted no documents.

ISSUES

- A. Does the Tenant owe the Landlord rent?
- B. Must the Landlord return double the security deposit to the Tenant?

ANALYSIS**A. Does the Tenant owe the Landlord rent?**

- [14] The Landlord stated that he is seeking to keep the security deposit for rent owed because the Tenant did not provide proper notice to end the tenancy agreement. The Landlord stated that the Tenant only paid rent for December 2024 and that the Tenant owes rent for January and February 2025.

- [15] The Landlord stated that around the end of December 2024, the Tenant told him that she was not living in the Unit but that she still had personal items in the Unit. The Landlord stated that on January 17, 2025, the Tenant removed her personal belongings from the Unit, and he regained possession at that time. When the Unit was empty, the Landlord tried to find another tenant, and he was able to re-rent the unit on March 1, 2025.
- [16] The Landlord argued that the tenancy started on December 1, 2024, as the parties began discussing renting the Unit in early December. He stated that the rent paid for December 2024 should cover December 1, 2024, to December 31, 2024, and that the security deposit should cover the rent owed for January and February 2025.
- [17] The Tenant stated that she was seeking a return of the security deposit because the Unit was not safe to live in, and she did not cause any damage. She stated that she paid \$1,100.00 for rent for December 2024 and \$900.00 for the security deposit. She stated that the parties agreed that she would pay another \$200.00 for the security deposit during January 2025. The Tenant stated that she did not pay any more rent or the rest of the security deposit.
- [18] The Tenant stated that she moved in on December 9, 2024, and that she notified the Landlord on December 13, 2024, that the Unit was not working out for her. The Tenant stated that she moved out on December 20, 2024, and removed her personal belongings on January 17, 2025. She stated that she should not owe any more rent because of the poor condition of the Unit.
- [19] The Tenant stated that she was not aware the Unit was a camper when she agreed to move into it. She stated that the woodstove was cracked, and she had a hard time getting fires started. The Tenant stated that there was minimal hot water and some mold on one of the windows. The door froze on one occasion, and someone had to help the Tenant get out of the Unit.

Start of the tenancy

- [20] Section 13 of the *Residential Tenancy Act* (the "Act") states:

The rights and obligations of a landlord and tenant under a tenancy agreement take effect from the date the tenancy agreement is entered into, whether or not the tenant occupies the rental unit.

- [21] The Landlord argued that the tenancy began on December 1, 2024, and the \$1,100.00 rent payment covered rent from December 1 to 31, 2024. However, the evidence establishes that the Tenant did not pay the first month's rent or the security deposit or have possession of the Unit until December 9, 2024.
- [22] I note that there is no written tenancy agreement between the parties, which would have assisted me in establishing when the parties agreed the tenancy started. Since April 8, 2023, when the Act came into force, landlords have been required to prepare written agreements for all new tenancies. Subsection 11(1) of the Act states:

A landlord shall prepare a written tenancy agreement in respect of a tenancy that is entered into on or after the date this Act comes into force.

- [23] The Landlord must use a tenancy agreement form that complies with the Act. The Rental Office's *Standard Form of Tenancy Agreement (Form 1)* is available online in the Forms section of the Rental Office's website.
- [24] Based on the evidence, I find that the tenancy started on December 9, 2024. As such, I find that the Tenant paid excess rent of **\$283.87** from December 1 to December 8, 2024, which the Landlord should not have collected. This amount will be added to the calculations below.

End of the tenancy

- [25] Subsection 55(2) of the Act states that a tenant may end a month-to-month tenancy by giving the landlord a notice of termination effective on a date that (1) is not earlier than one month after the date the landlord receives the notice and (2) is the day before the day that rent is payable under the tenancy agreement.
- [26] The evidence establishes that the Tenant provided the Landlord with a text message that she had moved out of the Unit by December 28, 2024, and requested a return of the security deposit.
- [27] Therefore, I find that the end of the tenancy was January 31, 2025, which was the day before the next rent payment was due (February 1, 2025). I further find that the Landlord has provided sufficient evidence to establish that the Tenant failed to pay rent for January 2025 (\$1,100.00).
- [28] However, I find that the Landlord has not established that the Tenant owes rent for February 2025, as the tenancy ended on January 31, 2025.
- [29] The Tenant's submissions regarding the condition of the Unit do not amount to justifying the termination of the tenancy agreement. If the Tenant believed that the Landlord was failing to comply with his obligations under the Act or the *Public Health Act Rental Accommodation Regulations*, the Tenant could have contacted Environmental Health for an inspection of the Unit.

B. Must the Landlord return double the security deposit to the Tenant?

- [30] Section 40 of the Act addresses the retention and return of a security deposit:
- (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.*
- [31] After the tenancy between the parties ended on January 31, 2025, the Landlord had 15 days to either return the security deposit to the Tenant or 17 days to apply with the Rental Office, as the 15th day was a Saturday, claiming against the security deposit. The Landlord did neither.
- [32] There are no earlier Rental Office decisions authorizing the Landlord to keep the security deposit. At the end of the tenancy, the parties did not enter into a written agreement permitting the Landlord to keep the security deposit.

[33] I find that the Landlord did not comply with the Section 40 requirements for keeping a security deposit. Therefore, the Landlord must compensate the Tenant double the security deposit, including interest on the principal amount, under subsection 40(4) of the Act.

CONCLUSION

[34] The Landlord will pay the net amount of \$980.51 to the Tenant according to the timeline below.

[35] My calculations are as follows:

Item	Amount
Rent Owed for January 2025	(\$1,110.00)
Security Deposit	\$900.00
Interest (Dec. 9/24 – Mar. 28/25)	\$6.64
Security Deposit (Double Awarded)	\$900.00
Overpaid rent	\$283.87
Total	\$980.51

IT IS THEREFORE ORDERED THAT

1. The Landlord will pay the Tenant \$980.51 by April 28, 2025.

DATED at Charlottetown, Prince Edward Island, this 28th day of March, 2025.

(sgd.) Mitch King

Mitch King
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.