

**INTRODUCTION**

- [1] This decision determines an application filed with the Residential Tenancy Office (the "Rental Office") under the *Residential Tenancy Act* (the "Act").
- [2] The Landlord wants to keep the security deposit of \$1,750.00 for rent owing for December 2024.

**DISPOSITION**

- [3] I find that the Landlord will keep the security deposit of \$1,750.00 for rent owing for December 2024.
- [4] I find that the Landlord will return the interest accrued on the security deposit of \$38.61 to the Tenants.

**BACKGROUND**

- [5] The Unit is an apartment in a multi-unit building managed by the Landlord.
- [6] On July 1, 2024, the parties entered into a written, fixed-term tenancy agreement for the Unit for the period from July 1, 2024, to June 30, 2025. Rent was \$1,750.00 monthly, due on the 1st day of the month, and a security deposit of \$1,750.00 was paid on July 1, 2024.
- [7] On December 1, 2024, the Tenants moved out of the Unit.
- [8] On December 16, 2024, the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* (the "Application") with the Rental Office seeking to keep the security deposit for rent owing for December 2024.
- [9] On March 27, 2025, the Rental Office emailed the parties notice of a teleconference hearing scheduled for May 15, 2025.
- [10] On May 8, 2025, the Rental Office emailed a 21-page PDF to the parties (the "Evidence Package").
- [11] On May 15, 2025, the Landlord's representative (the "Representative") and the Tenants participated in a teleconference hearing. The parties stated that they received a copy of the Evidence Package and that all evidence submitted was included.

**ISSUE**

- A. Can the Landlord keep the security deposit for rent owing for December 2024?

**ANALYSIS**

- [12] The Representative stated that he was seeking to keep the security deposit for rent owing for December 2024. He stated that the Tenants provided the Landlord notice on October 25, 2024, that they would be moving out by December 2024. The Representative stated that the Tenants did not give proper notice to end the fixed-term tenancy agreement.
- [13] The Representative stated that he told the Tenants to go to the Rental Office's website to understand their obligations regarding providing notice to end the tenancy agreement. He stated that it was the Tenants' responsibility to know their obligations, and it was not his responsibility to explain to the Tenants what could happen if they moved out of the Unit before the end of the tenancy.

- [14] The Representative stated that he advertised the Unit for rent after the Tenants provided their notice. He stated that he had to lower the rent and was not able to re-rent the Unit until February 1, 2025. He agreed that he told the Tenants that he would return their security deposit, but that was only if he could re-rent the Unit for December 2024.
- [15] The Tenants stated that they had provided the Representative more than one month's notice that they were moving out of the Unit. They stated that they provided notice because two of the Tenants had a sick parent and they had to move home as a result. They stated that the Representative told them that they would be getting their security deposit back.
- [16] The Tenants stated that they asked the Representative what to do because they had to leave before the end of the fixed term. They stated that the Representative did not explain to them that he would be keeping the security deposit if he could not re-rent the Unit. They stated that if they had known this, they would have found two new tenants to replace the two that had to leave.
- [17] Subsection 55(3) of the Act states that a tenant may end a fixed-term tenancy by giving the landlord a notice of termination effective on a date that (a) is not earlier than one month after the date the landlord receives the notice, (b) is not earlier than the date specified in the tenancy agreement as the end of the tenancy, and (c) is the day that rent is payable under the tenancy agreement.
- [18] I find that the Landlord has provided sufficient evidence to establish that the Tenants failed to comply with the notice requirements to end the fixed-term tenancy agreement. I note that it is a tenant's responsibility to understand their obligations under the Act when it comes to ending a tenancy agreement.
- [19] I am satisfied that the Landlord has engaged in sufficient efforts to try to re-rent the Unit. The Landlord fulfilled its responsibility to try to reduce (mitigate) rental income losses for December 2024 under section 46 of the Act, and the Unit was not re-rented until February 2025.
- [20] I find that the Representative has provided sufficient evidence to establish that the Landlord will keep the security deposit for rent owing for December 2024.
- [21] I find that the Landlord will return the interest accrued on the security deposit by the timeline below.
- [22] The Application is allowed.

**IT IS THEREFORE ORDERED THAT**

1. The Landlord will keep the security deposit of \$1,750.00 for rent owing for December 2024.
2. The Landlord will pay the Tenants \$38.61 by July 7, 2025.

**DATED** at Charlottetown, Prince Edward Island, this 6th day of June, 2025.

(sgd.) Mitch King

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**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.