

INTRODUCTION

- [1] This decision determines two applications filed with the Residential Tenancy Office (the “Rental Office”) under the *Residential Tenancy Act* (the “Act”).
- [2] The Tenants seek a return of double the security deposit for a total claim of \$3,200.00.
- [3] The Landlord seeks to keep the security deposit for rent owing for February 2025 for a total claim of \$1,600.00.

DISPOSITION

- [4] The Tenants’ claim for double the security deposit is denied.
- [5] The Landlord will keep the security deposit for rent owing for February 2025.
- [6] The Landlord will return the interest accrued on the security deposit to the Tenants.

BACKGROUND

- [7] The Unit is an apartment in a multi-unit building.
- [8] The parties entered into a written, fixed-term tenancy agreement for the Unit for the period of March 1, 2024, to February 28, 2025. Rent was \$1,600.00 monthly, and a security deposit of \$1,600.00 was paid on January 29, 2024.
- [9] The Tenants moved out of the Unit on February 1, 2025.
- [10] On February 21, 2025, the Tenants filed a *Form 2(A) Tenant Application to Determine Dispute* (the “Tenant Application”) with the Rental Office seeking a return of double the security deposit.
- [11] On February 24, 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 owing for February 2025, and \$2,200.00 in additional compensation for cleaning and damages.
- [12] On March 7, 2025, the Rental Office emailed the parties notice of a teleconference hearing scheduled for April 29, 2025.
- [13] On April 23, 2025, the Rental Office shared a 106-page PDF and seven videos with the parties (the “Evidence Package”) through Titan File.
- [14] On April 25, 2025, the Rental Office emailed the parties notice of a rescheduled teleconference hearing for May 29, 2025.
- [15] On May 29, 2025, the Tenants, the Tenants’ translator and three Landlord representatives (the “Representatives”) participated in a teleconference hearing. The parties stated they received a copy of the Evidence Package and that all submitted evidence was included.
- [16] At the beginning of the hearing, the Representatives stated that they were withdrawing their compensation claim for cleaning and repairs. They stated they were only seeking to keep the security deposit for rent owing for February 2025.

ISSUE

- A. Can the Landlord keep the security deposit for rent owing for February 2025?

ANALYSIS

- [17] The Representatives stated that the Landlord is seeking to keep the security deposit for rent owing for February 2025. They stated that the fixed-term tenancy agreement was not supposed to end until February 28, 2025. They stated that the Tenants provided notice on January 24, 2025, and moved out on February 1, 2025, but did not pay rent for February 2025. The Landlord advertised the Unit but was unable to re-rent it as of the hearing date.
- [18] The Representatives stated that the Landlord did not tell the Tenants that they could end the tenancy early at any time they wanted to. They stated that the Landlord told the Tenants several times that they had to remain until the end of the fixed-term. They stated that the Landlord is selling the Unit, but that is not a reason for the Tenants to end the fixed term early. The Unit had not sold as of the hearing date.
- [19] The Tenants stated they are seeking double the security deposit because the security deposit was not returned after they moved out. The Tenants stated that they provided their notice because the Landlord was selling the Unit, and they had to find somewhere else to live. They stated that the Landlord told them on January 13, 2025, that the Unit was being sold, and they provided their notice on January 15, 2025. The Tenants stated that they provided the Landlord adequate notice that they were moving out of the Unit.
- [20] 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.
- [21] 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, specifically clause 55(3)(b) of the Act. I note that it is a tenant's responsibility to understand their obligations under the Act when it comes to ending a tenancy agreement.
- [22] 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 February 2025 under section 46 of the Act, and the Unit has not been re-rented or sold as of the hearing date.
- [23] Therefore, I find that the tenancy ended on February 28, 2025.
- [24] With regards to the Tenants' request for a return of double the security deposit, the Landlord had 15 days from the end of the tenancy to apply to the Rental Office claiming against the security deposit under clause 40(1)(b) of the Act.
- [25] The Landlord filed the Landlord Application on February 24, 2025, and served it to the Tenants on February 25, 2025, which was before the end of the tenancy. Therefore, I find that the Landlord had complied with their section 40 obligations under the Act.
- [26] I find that the Landlord has provided sufficient evidence to establish that the Landlord will keep the security deposit for rent owing for February 2025.
- [27] I find that the Landlord will return the interest accrued on the security deposit by the timeline below.
- [28] The Landlord Application is allowed, and the Tenant Application is denied.

IT IS THEREFORE ORDERED THAT

1. The Landlord will keep the security deposit of \$1,600.00 for rent owing for February 2025.
2. The Landlord will pay the Tenants \$51.55 by July 16, 2025.

DATED at Charlottetown, Prince Edward Island, this 16th day of June, 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.