

INTRODUCTION

- [1] This decision determines an application filed with the Residential Tenancy Office ("Rental Office") under the *Residential Tenancy Act* ("Act").
- [2] The Landlord seeks to keep the Tenant's security deposit, including interest for rent owing.

DISPOSITION

- [3] The Landlord has established a claim against the Tenant for rent owing. The Landlord will keep the Tenant's security deposit, including interest to offset the rent owing. The Landlord did not seek additional compensation for the rent owing balance.

BACKGROUND

- [4] The Unit is a two-bedroom, one-bathroom basement apartment located in a four-unit building ("Residential Property").
- [5] The Landlord and the Tenant entered into an oral, monthly tenancy agreement for the Unit that commenced on August 1, 2019. The Tenant paid a \$650.00 security deposit before moving into the Unit. Rent in the amount of \$1,114.00 was due on the first day of the month.
- [6] On January 31, 2025 the Rental Office issued Order LD25-032, allowing the tenancy to continue which is included in the evidence.
- [7] On March 28, 2025 the Landlord's representative ("Representative") served the Tenant with a *Form 4(A) Eviction Notice* effective April 30, 2025 for disturbing others and for failure to comply with a material term of the tenancy agreement ("Notice").
- [8] Between April 5 and 7, 2025 the Tenant vacated the Unit.
- [9] On April 22, 2025 the Representative filed a *Form 2(B) Landlord Application to Determine Dispute* ("Application") with the Rental Office seeking to keep the Tenant's security deposit, including interest. The Application does not seek additional compensation for the rent owing balance.
- [10] On May 6, 2025 the Rental Office emailed the parties notice of a teleconference hearing scheduled for June 12, 2025, along with a copy of the Application.
- [11] On June 11, 2025 the Rental Office emailed the parties a 41-page PDF evidence package.
- [12] On June 12, 2025 the Representative, the Landlord's legal counsel and the Tenant joined the hearing for determination of the Application. The parties confirmed that they received the evidence package and that all evidence submitted was included.

ISSUE

- A. Has the Landlord established a claim against the Tenant for rent owing?

ANALYSIS & FINDINGS

- [13] The Landlord is seeking to keep the Tenant's security deposit, including interest, to offset rent owing for April 2025. The Representative stated that no further compensation is being requested.
- [14] For the reasons below, I find that the Landlord has established a valid claim against the Tenant for rent owing.
- [15] Subsection 19(1) of the *Act* states:
- (1) *A tenant shall pay rent when it is due under the tenancy agreement, whether or not the landlord complies with this Act, the regulations or the tenancy agreement, unless the tenant has an express right under this Act to deduct or withhold all or a portion of the rent.*
- [16] The Representative stated that despite the Tenant vacating the Unit earlier than the effective date on the Notice, the tenancy ended on April 30, 2025. The Representative stated that the Tenant vacated the Unit and did not pay April's rent. The Representative stated that there was no agreement to end the tenancy earlier than the effective date on the Notice and there was no agreement to reduce or waive April's rent.
- [17] The Representative stated that the Unit was re-rented for May 1, 2025.
- [18] In reference to the Tenant's submissions below, the Representative stated that settlement letter was dated January 31, 2022 and was regarding a specific issue at that time. The Representative stated that the Tenant did not accept the offer at the time. The Representative stated that it would not be reasonable to rely upon a letter which is three-and-a-half years old.
- [19] The Tenant stated that the Landlord's lawyer gave him a letter dated January 31, 2022. The letter stated that he could leave the Unit and the Landlord would return the security deposit, provide him with \$500.00 in moving expenses and pro-rated rent. The Tenant stated that he accepted the offer, however, he did not find reasonable living accommodations until April 2025.
- [20] I find that the tenancy ended on April 30, 2025 due to the Notice. I agree with the Landlord's position that, despite the Tenant vacating the Unit earlier, this did not end the tenancy earlier. There is no evidence to establish that the tenancy ended earlier by agreement.
- [21] April's rent was due on or before April 1, 2025. The evidence establishes that the Tenant did not pay April's rent.
- [22] I find that the letter dated January 31, 2022 was an offer for the Tenant based upon the parties' relationship at the time. Despite no expiry date on the letter, I find that it is not reasonable to hold the parties to this agreement three-and-a-half-years later. It is reasonable to expect that if the Tenant had found a new living arrangement closer to the date of the letter then the agreement may have had more weight.
- [23] Therefore, I find that the Tenant owes the Landlord April's rent. The Landlord can keep the Tenant's security deposit, including interest in the amount of \$699.89.
- [24] The Application is allowed.

IT IS THEREFORE ORDERED THAT

1. The Landlord will keep the Tenant's security deposit, including interest, in the amount of \$699.89.

DATED at Charlottetown, Prince Edward Island, this 2nd day of July, 2025.

(sgd.) Cody Burke

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.