

## INTRODUCTION

- [1] This decision determines two applications filed with the Residential Tenancy Office ("Rental Office") under the *Residential Tenancy Act* ("Act").
- [2] The Landlord seeks to keep part of the Tenant's security deposit (\$880.00), including interest (\$42.93), in the total amount of \$922.93, and the Tenant seeks the return of the security deposit.

## DISPOSITION

- [3] The Landlord has not established valid claims against the Tenant for cleaning and damage. The Landlord will return the Tenant's security deposit, including interest, in the amount of \$922.93.

## BACKGROUND

- [4] The Unit is a two-bedroom, one-bathroom ground-level rental unit, owned by the Landlord.
- [5] On March 26, 2024 the Tenant paid the Landlord a \$1,580.00 security deposit.
- [6] On April 1, 2024 the parties signed a written, fixed-term tenancy agreement until March 31, 2025. Rent in the amount of \$1,580.00 was due on the first day of the month.
- [7] On April 5, 2024 the Tenant paid the Landlord a \$300.00 "key deposit."
- [8] On May 8, 2024 the Tenant moved into the Unit.
- [9] On March 31, 2025 the Tenant vacated the Unit and the tenancy ended.
- [10] On April 2, 2025 the Landlord returned \$1,000.00 to the Tenant that included the "key deposit" (\$300.00) and \$700.00 from the security deposit.
- [11] On April 15, 2025 the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* ("Application") with the Rental Office seeking to keep the remaining balance of the Tenant's security deposit, including interest.
- [12] On April 17, 2025 the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* with the Rental Office seeking the return of the security deposit. The Tenant amended the application on April 28, 2025.
- [13] On May 8, 2025 the Rental Office emailed the parties notice of a teleconference hearing scheduled for June 5, 2025.
- [14] On May 28, 2025 the Rental Office emailed the parties a 97-page PDF evidence package.
- [15] On June 5, 2025 the Landlord and the Tenant joined the teleconference hearing for determination of the Application. I adjourned the hearing because the Landlord did not have a translator and was unable to fully participate in the hearing. The Rental Office emailed the parties a rescheduled notice of hearing, scheduled for June 20, 2025.
- [16] On June 20, 2025 the Landlord, the Landlord's translator, a translator hired by the Rental Office and the Tenant joined the hearing for determination of the Application. The parties confirmed that they received the evidence package and that all evidence was included.

## ISSUE

- A. Has the Landlord established claims against the Tenant for cleaning and damage?

**ANALYSIS**

- [17] The Landlord seeks to keep a part of the Tenant's security deposit, including interest for cleaning and damage.
- [18] For the reasons below, I find that the Landlord has not established valid claims against the Tenant for cleaning and damage.
- [19] Clause 39(2)(a) of the *Act* states:
- 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.*
- [20] The Landlord has the burden to prove, on a balance of probabilities, that the Tenant vacated the Unit leaving the Unit below a standard of reasonably clean and/or caused damage to the Unit beyond reasonable wear and tear.
- [21] The Landlord stated that a move-in and move-out inspection of the Unit was completed with the Tenant, however, no inspection reports were completed.
- [22] The Landlord stated that the Unit needed cleaning, particularly the windows and the baseboards. There was also minor damage to the walls. The Landlord stated that there was significant mould damage to the furniture. The Landlord stated that the furniture, particularly a table and chairs set needed to be thrown out. The Landlord stated that there was no previous mould issue in the Unit.
- [23] The Landlord stated that the lowest quote to clean and repair the Unit was \$1,600.00. The Landlord stated that she only charged the Tenant a portion of this amount. The Landlord did not have a copy of the quote to submit into evidence because the quote was orally told to the Landlord.
- [24] The Landlord stated that the "key deposit" was returned to the Tenant along with \$700.00 from the security deposit.
- [25] The Tenant stated that he did not cause the damage and that the Unit was cleaned.
- [26] The Tenant stated that during the move-out inspection, the Landlord did not mention any of the cleaning and damage complaints. The Tenant stated that the tables and chairs had a table cloth over it and never noticed the mould. The Tenant stated that he did not have any mould complaints throughout the tenancy.
- [27] The Tenant submitted pre-tenancy and post-tenancy photographs of the Unit and stated that the damage alleged by the Landlord was pre-existing.
- [28] I have reviewed the parties' evidence and I find that the Landlord has not established valid claims against the Tenant for cleaning and damage.
- [29] I find that the evidence does not establish that the Unit was in a condition below a reasonably clean standard or damaged beyond reasonable wear and tear. Further, I note that the Landlord did not submit into evidence an invoice, receipt or third-party quote to prove the cost to repair and clean the Unit.
- [30] Therefore, I find that the Landlord must return to the Tenant the remaining balance of the security deposit, including interest, in the amount of \$922.93, by the timeline below. The Application is denied.

## CONCLUSION

- [31] The Application is denied. The Landlord must return to the Tenant the remaining balance of the security deposit, including interest, calculated as followed:

Item	Amount
Security Deposit Balance	\$880.00
Interest on \$1,580.00 (MAR-26-24 – APR-1-25)	\$37.14
Interest on \$880.00 (APR-2-25 – JUL-7-25)	\$5.79
Total Amount	\$922.93

- [32] I note that the Landlord did not comply with numerous requirements under the *Act*. For all future tenancies, the Landlord should be aware of the following points.

### Tenancy Agreement – Proper Form

- [33] I note that the tenancy agreement used was missing some required information, such as the previous rent charged and the included services for the former tenant, which is **mandatory** under the *Act*. This information must be included in every written tenancy agreement. The *Form 1 – Standard Form Tenancy Agreement* can be found on the Rental Office's website.

### Pre-Tenancy and Post-Tenancy Inspection Reports

- [34] I further note that all tenancies that began on April 8, 2023 onwards, require a pre-tenancy and post-tenancy inspection to be completed. Clauses 18(3) and 38(3) of the *Act* require a landlord and tenant to complete a pre-tenancy and post-tenancy inspection report – a *Form 5 – Landlord Condition Inspection Report* found on the Rental Office's website.

### Prohibited Fees – Key Deposit

- [35] Subsection 12(2) of the *Act* states:

*A landlord shall not accept any deposit except as permitted under section 14.*

- [36] The Landlord requested a \$300.00 key deposit at the start of the tenancy. The Landlord was not permitted to do this under the *Act*. The Landlord did return the \$300.00 deposit, however, the Landlord should refrain from requesting such deposits under future tenancies.

- [37] I direct the Landlord's attention to clause 20(2)(a) of the *Act*, which state:

*(2) A landlord may charge a fee for*  
*(a) the actual cost of replacing keys or other access devices.*

- [38] In circumstances where a tenant does not return the keys to a rental unit, a landlord may charge the tenant a fee for the actual cost of replacing the rental unit's keys.

**IT IS THEREFORE ORDERED THAT**

1. The Landlord must return to the Tenant the remaining balance of the security deposit, including interest, in the amount of \$922.93 by July 28, 2025.

**DATED** at Charlottetown, Prince Edward Island, this 7th day of July, 2025.

(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.