

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 claims against the Tenants for rent owing, in the amount of \$1,520.00.

DISPOSITION

- [3] The Tenants must pay the Landlord rent owing, in the amount of \$1,514.44 by the timeline below.

BACKGROUND

- [4] The Unit is hotel room located in a 25-unit building owned by the Landlord.
- [5] On October 2, 2024 the parties signed a written, fixed-term tenancy agreement for the period of October 1, 2024 to June 15, 2025 (the "Tenancy Agreement"). Rent in the amount of \$1,200.00 was due on the first day of the month. The Tenants paid a \$600.00 security deposit on November 15, 2024.
- [6] On April 2, 2025 the Landlord's representative (the "Representative") served the Tenants with a *Form 4(A) Eviction Notice* with an effective date of April 12, 2025 for non-payment of rent and repeatedly late in paying rent (the "Notice"). I note that the correct effective date was April 22, 2025 to comply with the minimum notice period in subsection 60(3) of the *Act*. The effective date is automatically changed under section 54.
- [7] On April 3, 2025 the parties agreed in writing that the Landlord could keep the security deposit.
- [8] On April 15, 2025 the Tenants vacated the Unit and the tenancy ended.
- [9] On May 14, 2025 the Representative filed a *Form 2(B) Landlord Application to Determine Dispute* (the "Application") with the Rental Office seeking rent owing, additional compensation and earlier termination of the tenancy agreement.
- [10] The Representative withdrew the request for earlier termination. The additional compensation was rent owing.
- [11] On August 5, 2025 the Rental Office emailed the parties notice of a teleconference hearing scheduled for September 23, 2025 along with a copy of the Application.
- [12] On September 10, 2025 the Rental Office telephoned the Tenants and left a voicemail message.
- [13] On September 12, 2025 the Rental Office emailed the parties a 17-page evidence package. The Rental Office also telephoned the Tenants and left a voicemail message of the hearing date and time.
- [14] On September 23, 2025 the Representative joined the teleconference hearing for determination of the Application. I telephoned the Tenants and received no response. I emailed the Tenants the teleconference details along with a copy of the evidence package. There was an error in one of the Tenant's emails. I corrected the error and re-sent the Tenant the teleconference details and copy of the evidence package. The hearing proceeded in the Tenants' absence ten minutes after the scheduled time. The Representative confirmed that all evidence submitted to the Rental Office was included.

- [15] After the teleconference hearing concluded I emailed the Tenants and provided them additional time to submit a written response to the evidence package. The Tenants were permitted to submit a response by September 25, 2025.
- [16] As of October 1, 2025 the Tenants had not submit any evidence.

ISSUE

- A. Do the Tenants owe rent to the Landlord?

ANALYSIS

- [17] The Landlord is seeking compensation against the Tenants for rent owing, in the amount of \$1,520.00.

Summary of the Evidence

- [18] The Representative's undisputed testimony was that the Tenants owe rent arrears for February, March and April 2025. The Tenants worked for the Landlord for a period of time in 2024 and early 2025. One of the Tenants did snow removal for the Landlord. The parties agreed that the Landlord could keep the security deposit for rent arrears.
- [19] The Representative stated that the Tenants owed \$2,620.00 in rent arrears, calculated as follows:

Month	Amount
February 2025	\$820.00
March 2025	\$1,200.00
April 2025 (15-days' pro-rated rent)	\$600.00
Total	\$2,620.00

- [20] The Representative stated that she deducted the Tenants' \$600.00 security deposit plus \$500.00 for the snow removal work. The Landlord's rent owing claim is \$1,520.00.

Determination

- [21] The party making a claim against another party has the onus to prove, on the civil standard of the balance of probabilities, each of their claim(s).
- [22] The Landlord's evidence establishes that the Tenants did not pay the rent arrears mentioned above. I find that the Landlord's evidence was undisputed. The Representative provided credible and reliable testimony regarding the payments received and the rent not received by the Tenants throughout the 2025 year.
- [23] Further, I find that the text message correspondence between the Representative and one of the Tenants establishes that the Tenants admitted to owing rent. In the text message, the Tenant acknowledges her intention to pay the rent arrears but was having financial hardship in April 2025.
- [24] In the same text message correspondence, the Tenant agrees that the Landlord can keep the \$600.00 security deposit and the \$500.00 owed to the Tenants for snow removal. I find that the Landlord was exempted from applying to the Rental Office to keep the security deposit under clause 40(3)(a) of the *Act*.
- [25] I find that the Application is allowed and the Landlord is entitled to compensation for rent owing.

- [26] Subsection 14(9) of the *Act* requires the Landlord to credit interest to the tenant on the full amount or value of the security deposit. I have deducted the accrued interest from the Landlord's claim, calculated as follows:

Month	Amount
February 2025	\$820.00
March 2025	\$1,200.00
April 2025 (15-days' pro-rated rent) (15 days / 30 days x \$1200)	\$600.00
Security deposit	(\$600.00)
Interest (15-NOV-24 to 3-APR-25)	(\$5.56)
Work in lieu	(\$500.00)
Total	\$1,514.44

Pre-Tenancy & Post-Tenancy Inspection Reports

- [27] I note that the Landlord did not complete a pre-tenancy or a post-tenancy inspection report. Sections 18 and 38 of the *Act* require a landlord and tenant to inspect the condition of a rental unit at the beginning and at the end of a tenancy. The parties must complete and sign a *Form 5 – Landlord Condition Inspection Report* (available on the Rental Office's website).
- [28] In Order LR25-12, the Island Regulatory and Appeals Commission commented on the benefit of such inspection reports and stated (paragraph 34):

“These requirements are in place to protect both landlords and tenants and to provide the Rental Office and the Commission with the best possible evidence of the condition of a rental unit at the start and at the end of the tenancy. A deterioration in the condition of the unit during the tenancy will then be more clearly apparent.”

IT IS THEREFORE ORDERED THAT

1. The Tenants will pay the Landlord the amount of \$1,514.44 by November 3, 2025.

DATED at Charlottetown, Prince Edward Island, this 1st day of October, 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.