

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 Landlord seeks rent owing, for a total claim of \$5,560.00.
- [3] The Tenant seeks the return of her personal property, double the security deposit, and additional compensation, for a total claim of \$967.76.

DISPOSITION

- [4] I find that the Landlord has established a claim for \$1,100.00.
- [5] The Landlord’s remaining compensation claims are denied.
- [6] I find that the Tenant has established a claim for \$311.61.
- [7] I find that the Tenant has established a claim for double the security deposit, including interest, totalling \$507.76.
- [8] The Tenant’s remaining compensation claims are denied.
- [9] The amounts are offset, and the Tenant will pay the Landlord \$280.63.
- [10] I find that the Landlord must return the Tenant’s personal property.

BACKGROUND

- [11] The Unit is a room and shared common spaces in a house (the “Residential Property”) that the Landlord owns.
- [12] On July 19, 2024, the parties entered into an oral tenancy agreement for the Unit. The parties dispute whether the tenancy agreement was a month-to-month or a fixed-term agreement. Rent of \$600.00 was due on the first day of the month, and a security deposit of \$250.00 was paid at the beginning of the tenancy.
- [13] The parties dispute whether the tenancy has ended.
- [14] On August 13, 2025, the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* (the “Tenant Application”) with the Rental Office seeking the return of her personal property, double the security deposit and additional compensation.
- [15] On September 3, 2025, the Rental Office sent the parties notice of a teleconference hearing scheduled for October 16, 2025.
- [16] On October 1, 2025, the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* with the Rental Office seeking compensation (the “Landlord Application”).
- [17] On October 16, 2025, the Rental Office sent the parties notice of a rescheduled teleconference hearing for October 23, 2025.
- [18] On October 16, 2025, the Rental Office sent the parties a 97-page evidence package.

- [19] On October 23, 2025, the Tenant and the Landlord's representative (the "Representative") participated in a teleconference hearing. The parties confirmed that all the evidence submitted to the Rental Office was included in the evidence package.

ISSUES

- A. When did the tenancy end? Does the Tenant owe the Landlord rent?
- B. Must the Tenant compensate the Landlord?
- C. Must the Landlord compensate the Tenant?
- D. Must the Landlord return double the security deposit to the Tenant?
- E. Must the Landlord return the Tenant's personal property?

EVIDENCE

Tenant's evidence and submissions

- [20] The Tenant stated that on July 19, 2024, she moved into the Unit and paid the Landlord \$260.00 for the remainder of July's rent plus a \$250.00 security deposit. Their oral agreement initially stipulated that the Tenant would remain until October 2024; however, no formal tenancy agreement was in place, and no agreed-upon end date was set. The parties agreed that the Landlord would pro-rate the rent during specific periods when the Tenant was out of province due to her work schedule.
- [21] The Tenant stated that she left PEI on October 7, 2024, and the Landlord prorated the rent at \$20/day for the remainder of the month. The Tenant stated she should have paid only \$140.00, but, due to a miscalculation by the Landlord, she paid \$200.00 in error. The Tenant stated she is seeking a refund of the \$60.00 overpayment and the security deposit.
- [22] The Tenant stated that when she left PEI in October 2024, the Representative agreed to allow her to store some personal items and food at the Residential Property. The Tenant returned to the Unit on March 20, 2025, and on March 25, 2025, the Residential Property began experiencing water and plumbing issues.
- [23] The Tenant stated she left PEI on April 3, 2025, and returned to stay at the Unit between April 22 and May 5, 2025. The Tenant left PEI again and planned to return on May 22, 2025. On May 19, 2025, the Representative informed the Tenant that water and sewer services were disconnected for repairs. On May 20, 2025, the Representative stated that the Unit would be uninhabitable for at least two weeks.
- [24] The Tenant stated that on June 3, 2025, the Representative emailed her, stating that the plumbing should be fixed by June 6, 2025. On June 5, 2025, the Landlord emailed the Tenant to inform her that the plumbing had been repaired. The Tenant stated she never returned to the Unit after leaving on May 5, 2025, due to her work schedule and the plumbing issue.
- [25] The Tenant stated she is seeking a refund of half of May's rent (\$300.00) because she was unable to live in the Unit from May 19 to May 31, 2025, due to the plumbing issue. She stated that no rent was paid after May 2025.
- [26] The Tenant stated that on June 5, 2025, she told the Representative she had secured another place to live. She sent the Landlord a message stating:

"I just ended up getting approved for a place in Charlottetown. A friend of a friend had a roommate move out of province and since I was unsure about what the sewer situation would be, it made sense to go with that. If all goes according to plan, I'll be up sometime at the end of next week, so I can move my stuff out then. "

- [27] The Tenant stated she returned to PEI on June 15, 2025, and made arrangements to pick up her belongings on June 17, 2025. She stated that when she arrived, the parties got into a disagreement, and she was only able to retrieve some of her belongings. She stated that the Landlord refused to return the rest of her belongings and that she applied for compensation for her remaining personal property.
- [28] The Tenant stated that, since the Representative agreed during the hearing to return her personal property, she would wait until she retrieved it and see whether she would need to file a separate application for compensation. She stated she is not seeking compensation for her personal property at this time. She stated that she hoped to return to PEI by December 15, 2025, to retrieve her property, but she would try to arrange for someone to pick it up sooner.
- [29] She stated that she is also seeking \$100.00 in compensation for a bicycle she had to buy to replace the one the Landlord had not allowed her to retrieve during the summer.

Landlord's evidence and submissions

- [30] The Representative stated that the tenancy agreement was informal and based on goodwill. By mutual agreement, the tenancy agreement evolved into a seasonal cycle — with a winter departure and a return the following season. When he agreed to store the Tenant's belongings free of charge over the winter, it was on the understanding that the Tenant would return for the 2025 season, and, on that basis, he considered the tenancy agreement to be a year-to-year tenancy.
- [31] The Representative stated the Tenant did not provide proper notice to end the tenancy agreement. He stated that deciding to leave because she found a "better fit" does not comply with statutory requirements and does not release her from her obligations under the tenancy agreement.
- [32] The Representative stated that the tenancy was intended to be a year-to-year arrangement that would continue through September 2025. On this understanding, he stated the Tenant remains liable for rent from November 2024 through February 2025, as well as from June to September 2025. The Representative stated that this reflects the Representative's reliance on the Tenant's promise to return for the 2025 season in exchange for free winter storage of her belongings. Based on this calculation, the Representative stated the Tenant owes the Landlord \$5,560.00 in rent.
- [33] He stated that if the tenancy agreement is determined to be a month-to-month tenancy, the Tenant should owe rent for at least June and July 2025. He stated that the Unit is re-rented for the end of October 2025. He stated that the security deposit is not refundable because the Tenant owes rent.
- [34] The Representative stated that the Tenant arrived at the Residential Property on June 17, 2025, to retrieve her belongings. He stated that the parties got into a dispute, and the police were called. The Tenant was only able to take some of her belongings at that time. The Representative stated that he wants to work with the Tenant, and he will store her belongings until at least December 15, 2025.
- [35] The Representative stated that he would refund the Tenant the \$60.00 overpayment for October 2024. He stated that the Tenant is not entitled to a refund for May's rent. He stated that it was the Tenant's work schedule that kept her away from the Unit and not the Landlord's actions. He stated he was in the process of having the plumbing repaired in May 2025, and the Tenant could have stayed in the Unit. He stated the water and sewer were only disconnected between May 19 and June 3, 2025.

ANALYSIS**A. When did the tenancy end? Does the Tenant owe the Landlord rent?**

[36] The parties dispute whether the tenancy was a fixed-term tenancy of one year or a month-to-month agreement. I find that the Landlord has provided insufficient evidence, such as a written tenancy agreement, to establish that the parties agreed to a one-year fixed-term agreement. Therefore, I find that the parties were in a month-to-month tenancy agreement for the Unit.

[37] Subsection 55(2) of the Act states:

A tenant may end a month-to-month or other periodic 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 the day before the day that rent is payable under the tenancy agreement.

[38] I find that the evidence establishes the Tenant provided the Landlord with written notice on June 5, 2025, that she would be moving out of the Unit. Therefore, I find that the tenancy between the parties ended on July 31, 2025, under subsection 55(2) of the Act.

Rent Owning

[39] Having determined that the tenancy ended on July 31, 2025, I find that the Tenant owes the Landlord rent for June and July 2025. However, the evidence establishes that the water and sewer systems were not operational at the Unit from May 19 to June 3, 2025, and that the Tenant was not notified of the repair until June 5, 2025.

[40] Despite the Landlord stating that the Tenant could have stayed in the Unit, I find that the Unit would not have been suitably habitable without water or sewer services. Therefore, I find that June's rent will be reduced for five days, totalling \$100.00 (5 days / 30 days x \$600.00), and the Tenant owes the Landlord rent totalling \$1,100.00 for June and July 2025.

B. Must the Tenant compensate the Landlord?

[41] I find that the Landlord has not established their additional compensation claims.

[42] The Representative stated that the Tenant owes the Landlord rent from November 2024 through September 2025, as the Tenant breached a yearly fixed-term tenancy agreement.

[43] As I have determined that the tenancy agreement was a month-to-month agreement and that the Tenant only owes rent for June and July 2025, I find that the Tenant does not owe rent beyond July 2025.

[44] Furthermore, the evidence establishes that the parties previously agreed that the Tenant would not have to pay rent during specific time periods. As the parties had already agreed on which months would be prorated before the Tenant gave her notice, I find that the Landlord cannot now seek "rent owed" from the Tenant. This claim is denied.

C. Must the Landlord compensate the Tenant?

[45] The Tenant stated that she is withdrawing her claim for compensation for her personal property, as the Landlord has agreed to return her property. Therefore, I will not make a determination regarding this claim. I note that parties have six months from the end of a tenancy to file applications under the Act.

- [46] The Landlord agreed to compensate the Tenant for the \$60.00 overpayment of October 2024's rent. This claim is allowed.
- [47] The Tenant is seeking \$300.00 in compensation for May 2025's rent. The evidence establishes that the Unit's water and sewer systems were not operational from May 19 to June 3, 2025, and the Tenant was not notified of the repair until June 5, 2025.
- [48] Despite the Landlord stating that the Tenant could have stayed in the Unit, I find that the Unit would not have been suitably habitable without water or sewer services.
- [49] Therefore, I find that the Tenant has established a compensation claim for the period from May 19 to May 31, 2025, totalling \$251.61 (13 days / 31 days x \$600.00). This claim is allowed in part.
- [50] Regarding the Tenant's \$100.00 compensation claim for a replacement bike, I find that the Tenant has provided insufficient documentary evidence, such as a receipt or invoice, to support this claim. Furthermore, I find that the Tenant has not sufficiently established the additional steps she took after June 17, 2025, regarding trying to contact the Landlord to retrieve her personal property. This claim is denied.

D. Must the Landlord return double the security deposit to the Tenant?

- [51] Section 40 of the Act addresses the retention and return of a security deposit:

- (1) *Except as provided in subsection (2) or (3), within 15 days after the date the tenancy ends or is assigned, the landlord shall either*
 - (a) *issue payment, as provided in subsection (5), of any security deposit to the tenant with interest calculated in accordance with the regulations; or*
 - (b) *make an application to the Director under section 75 claiming against the security deposit.*
- (2) *A landlord may retain from a security deposit an amount that*
 - (a) *the Director has previously ordered the tenant to pay to the landlord; and*
 - (b) *remains unpaid at the end of the tenancy.*
- (3) *A landlord may retain an amount from a security deposit if*
 - (a) *at the end of a tenancy, the tenant agrees in writing that the landlord may retain the amount to pay a liability or obligation of the tenant; or*
 - (b) *after the end of the tenancy, the Director orders that the landlord may retain the amount.*
- (4) *Where a landlord does not comply with this section, the landlord*
 - (a) *shall not make a claim against the security deposit; and*
 - (b) *shall pay the tenant double the amount of the security deposit.*

- [52] In Order LR25-33, the Island Regulatory and Appeals Commission (the "Commission") noted:

"As considered in Commission appeal Order LR25-17 Xianfeng Yue and Ying Zhao v. Steve Dyer (see especially paragraphs 18 to 21), section 40 of the Act requires the return of the security deposit within 15 days subject to specific exceptions and if a landlord fails to follow those requirements the penalty of a double deposit award is imposed under subsection 40(4). Neither the Rental Office nor the Commission on appeal has been given any discretion to allow for forgiveness of a landlord's section 40 non-compliance."

- [53] In this case, I find that the tenancy ended on July 31, 2025. The Landlord had until August 18, 2025 (as August 15, 2025, was a holiday) to either return the security deposit or apply with the Rental Office claiming against the security deposit; however, the Landlord did neither.
- [54] There are no earlier Rental Office decisions authorizing the Landlord to keep the security deposit. There is insufficient evidence that the parties entered into a written agreement permitting the Landlord to keep the security deposit.
- [55] Despite the Representative stating he kept the security deposit for rent owing, I find that the Landlord did not comply with the section 40 requirements for keeping a security deposit. Therefore, the Landlord must compensate the Tenant double the security deposit, including interest on the principal amount, under subsection 40(4) of the Act.

E. Must the Landlord return the Tenant's personal property?

- [56] Section 43 of the Act states that a tenant is not entitled to leave personal property in the rental unit after the tenancy agreement is terminated. However, in this case, the parties have agreed under subsection 43(3) of the Act that the Landlord will store the Tenant's personal property at the Residential Property until at least December 15, 2025.
- [57] The Landlord must return the Tenant's personal property forthwith if requested by the Tenant.

Tenancy Agreement – Proper Form

- [58] In this case, the tenancy agreement is not in writing. Subsections 11(1) and (2) of the Act require the tenancy agreement to be in writing and have the formal requirements listed in subsection 11(2) of the Act. The Rental Office's *Form 1 – Standard Form of Tenancy Agreement* can be found on the Rental Office's website.

CONCLUSION

- [59] I find that the Landlord has established a rent owing claim of \$1,100.00. The Landlord's remaining compensation claims are denied.
- [60] I find that the Tenant has established a return of rent claim, totalling \$311.61.
- [61] I find that the Tenant has established a claim for double the security deposit, including interest, totalling \$507.76.
- [62] The Tenant's remaining compensation claims are denied.
- [63] The amounts are offset, and the Tenant will pay the Landlord \$280.63 by the timeline below.
- [64] The Landlord will return the Tenant's personal property.
- [65] My calculations are as follows:

Item	Amount
Rent Owing	\$1,100.00
Reduced Rent for May 2025	(\$251.61)
Rent Overpayment for October 2024	(\$60.00)
Security Deposit	(\$250.00)
Interest (July 19/24 – Oct. 31/25)	(\$7.76)
Double Security Deposit	(\$250.00)
Total	\$280.63

IT IS THEREFORE ORDERED THAT

1. The Tenant will pay the Landlord \$280.63 by December 1, 2025.
2. The Landlord will return the Tenant's personal property.

DATED at Charlottetown, Prince Edward Island, this 31st day of October, 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.