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 seeks to keep the Tenant's security deposit plus additional compensation for rent owing and an NSF fee, for a total claim of $1,565.00.

DISPOSITION

[3] I find that the Landlord has established compensation claims totalling $1,565.00.

[4] The Landlord will keep the security deposit, including interest, totalling $1,010.47.

[5] The amounts are offset, and the Tenant will pay the Landlord the balance of $554.53.

BACKGROUND

[6] The Unit is an apartment in a multi-unit building that the Landlord manages.

[7] On April 1, 2025, the parties entered into a written month-to-month tenancy agreement for the Unit. Rent of $995.00 was due on the first day of the month, and a security deposit of $995.00 was paid on March 28, 2025.

[8] Sometime in July 2025, the Tenant moved out of the Unit.

[9] On July 23, 2025, the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* with the Rental Office seeking to keep the security deposit and additional compensation (the "Application").

[10] On October 8, 2025, the Rental Office sent the parties notice of a teleconference hearing scheduled for November 4, 2025.

[11] On October 23, 2025, the Rental Office sent the parties a 30-page evidence package.

[12] On November 4, 2025, the Landlord's representative (the "Representative") and the Tenant participated in a teleconference hearing. The parties confirmed that all the evidence submitted to the Rental Office was included in the evidence package.

ISSUE

A. Has the Landlord established claims against the Tenant for rent owing and an NSF fee?

ANALYSIS

[13] The Representative stated that on June 20, 2025, the Tenant attempted to pay the outstanding balance of June's rent, which was $545.00, through the Landlord's payment portal. However, on June 26, 2025, the transaction was reversed because there were insufficient funds to cover the transaction. The Landlord incurred a $25.00 NSF fee as a result of the failed transaction.

[14] The Representative stated that although the Tenant may have received an automated notice that the rent was paid, it sometimes takes a few days for transactions to be processed through the bank to ensure there are sufficient funds. In this case, there were insufficient funds to cover the transaction, and it was reversed.

[15] The Representative stated that he called the Tenant on June 27, 2025, and notified her that the rent payment had been declined. He stated that the Tenant told him that she paid the rent on June 20, 2025, and swore at the Representative. The Landlord submitted the Tenant's rental ledger as evidence.

[16] The Representative stated that the Tenant failed to provide proper notice that she was moving out of the Unit. He stated that on July 15, 2025, the Landlord learned from the Tenant's neighbours that the Tenant had moved out of the Unit sometime that month. The Landlord was able to re-rent the Unit for August 1, 2025, and is seeking rent owed for July 2025.

[17] The Tenant stated that she paid the remaining balance of June's rent, $545.00, on June 20, 2025. The Tenant stated that she received a rent receipt confirmation from the Landlord's payment system on June 20, 2025, and submitted it as evidence.

[18] The Tenant stated that there were sufficient funds in her bank account and disputed that the payment was declined. She stated that she no longer has access to that bank account, so she is unable to submit her banking records from that time period. The Tenant stated that the Landlord's payment system is flawed and she does not owe the Landlord rent for June.

[19] The Tenant also disputed that she owes rent for July 2025. She stated that she moved out of the Unit on July 6, 2025, because her child was getting sick from the poor condition of the Unit. She stated that her doctor advised her to move, and she followed her doctor's orders.

[20] The Tenant stated that she tried to contact the Landlord to advise that she had left, but she had difficulty contacting a Landlord representative. She stated that she spoke to the Representative around mid-July and told him that she had moved out of the Unit.

June 2025's rent and NSF fee

[21] I find that the Landlord has provided sufficient evidence to establish that the Tenant failed to pay $545.00 for the balance of June 2025's rent. I further find that the Landlord has provided sufficient evidence to establish that they incurred a $25.00 NSF as a result of the payment being declined for June's rent.

[22] Despite the Tenant stating that she received a rent receipt indicating that rent had been paid, the Landlord's documentary evidence establishes that the rent payment was later declined due to insufficient funds. The Landlord also stated that he contacted the Tenant to advise her that the payment had been declined; however, there is insufficient evidence that the Tenant followed up with the Landlord or her bank to investigate further.

[23] Furthermore, the Tenant was unable to provide any documentary evidence to establish that the payment had not been declined. I find that the Tenant has not established that she paid the Landlord $545.00 for the balance of June's rent. This claim is allowed.

July 2025's rent

[24] 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.*

[25] I find that the Tenant did not provide the Landlord with proper notice that she was moving out of the Unit under subsection 55(2) of the Act. The Tenant stated she moved out on July 6, 2025, and that she did not notify the Landlord until around mid-July. The Representative stated the Landlord did not learn the Tenant had moved out until July 15, 2025.

[26] Despite the Tenant stating that she had moved out due to health reasons, I find that the Tenant has provided insufficient evidence, such as a report from Environmental Health, to establish that the Unit was uninhabitable.

[27] The Landlord stated that the Unit was re-rented on August 1, 2025. I find that the Landlord had fulfilled its responsibility to try to reduce (mitigate) rental income losses after it regained possession of the Unit, under section 46 of the Act. Therefore, I find that the tenancy between the parties ended on July 31, 2025.

[28] I find that the Landlord has established that the Tenant owes the Landlord rent for July 2025 in the amount of $995.00.

CONCLUSION

[29] The Landlord's total established claim is $1,565.00. The Landlord will keep the security deposit plus interest. The amounts are offset and are calculated as follows:

Item	Amount
Rent owing for June	$545.00
NSF fee	$25.00
Rent owing for July	$995.00
Security Deposit	($995.00)
Interest (Mar. 28/25 – Nov. 10/25)	($15.47)
Total	$554.53

IT IS THEREFORE ORDERED THAT

1. The Landlord has established compensation claims totalling $1,565.00.

2. The Landlord will keep the security deposit, including interest, totalling $1,010.47.

3. The amounts are offset, and the Tenant will pay the Landlord $554.53 by December 10, 2025.

DATED at Charlottetown, Prince Edward Island, this 10th day of November, 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.