

INTRODUCTION

- [1] This decision determines two applications filed by the Subtenant and the Tenant with the Residential Tenancy Office (the "Rental Office") under the *Residential Tenancy Act*, cap. R-13.11 (the "Act").
- [2] The Tenant seeks to keep a portion of the Subtenant's security deposit for cleaning, totaling \$20.00.
- [3] The Subtenant seeks the return of the security deposit.

DISPOSITION

- [4] The Tenant must return the security deposit to the Subtenant, totaling \$700.00 by the timeline below.

BACKGROUND

- [5] The Unit is a single-bedroom with shared services and facilities located in a five-bedroom, one-and-a-half-bathroom building (the "Residential Property"). A total of eight people occupy the Residential Property, including the Subtenant and the Tenant.
- [6] On April 26, 2025 the parties entered into a written, monthly subletting agreement for the Unit. Rent in the amount of \$700.00 was due on the last day of the month. The Subtenant paid the Tenant a \$700.00 security deposit.
- [7] On July 31, 2025 the Subtenant gave the Tenant a *Form 3 Tenant Notice of Termination* that she was ending the subtenancy effective August 31, 2025.
- [8] On August 31, 2025 the Subtenant vacated the Unit and the subtenancy ended.
- [9] On September 15, 2025 at 4:48 p.m. the Tenant emailed the Rental Office a *Form 2(B) Landlord Application to Determine Dispute* (the "Tenant Application"). The Tenant Application was emailed after the Rental Office's business hours. Therefore, the Tenant Application was filed on September 16, 2025.
- [10] On September 16, 2025 the Subtenant filed a *Form 2(A) Tenant Application to Determine Dispute* (the "Subtenant Application") with the Rental Office seeking the return of the security deposit.
- [11] On November 6, 2025 the Rental Office emailed the parties notice of a teleconference hearing scheduled for December 16, 2025.
- [12] On December 4, 2025 the Rental Office emailed the parties a TitanFile link to a 77-page PDF and three-video evidence package.
- [13] On December 16, 2025 the Tenant and the Subtenant joined the teleconference for determination of the security deposit dispute. The parties confirmed that they received the evidence package and the Subtenant confirmed that all evidence submitted to the Rental Office was included in the evidence package. The Tenant confirmed that he did not submit any evidence to the Rental Office.

ISSUE

- A. Must the Tenant return the Subtenant's full amount of the security deposit or can the Tenant keep a portion of the security deposit?

ANALYSIS

Legal Basis

- [14] Generally, section 40 of the *Act* addresses the retention and return of a security deposit. However, I find that the parties were in a subletting agreement and not a tenancy agreement. In Order LR24-72 the Island Regulatory and Appeals Commission commented on subletting agreements at paragraph 24, stating:

In cases where the original tenant continues to occupy the rental unit with the subtenant(s), the original tenant is not considered a "landlord" of the subtenant per the definition in the Residential Tenancy Act because the definition of "landlord", found at subsection 1(h), expressly excludes "a tenant occupying the rental unit."

- [15] I find that the rules in section 40 do not apply to the parties in this case. Therefore, I will determine the security deposit dispute on its merit.
- [16] Further, I find that because the parties were in a subletting agreement there is no accrued interest on the security deposit. Only a "landlord" is required to deposit a security deposit in an interest-bearing account (see subsection 14(7) of the *Act*).

Summary of the Evidence

- [17] The Tenant's evidence was summarized and presented by himself.
- [18] The Tenant stated that on August 31, 2025 he and the Subtenant completed a brief walk-through of the Unit and its shared facilities, particularly the kitchen and bathroom.
- [19] The Tenant stated that the Subtenant had a specific area assigned in the kitchen. The Tenant stated that he completed a further inspection of the kitchen and noticed the Subtenant's area was not reasonably clean. The Tenant stated that he paid the new subtenant \$20.00 in cash to clean. The Tenant stated that in the Subtenant's video evidence you can see some dirt/debris in the Subtenant's assigned area.
- [20] The Subtenant's evidence was summarized and presented by herself.
- [21] The Subtenant stated that the kitchen was a shared space with many other occupants. The Subtenant stated that she cleaned her assigned area and during the walkthrough with the Tenant, there was no complaints about the cleanliness.
- [22] The Subtenant stated that the dirt/debris area referred to by the Tenant could easily be wiped down. The Subtenant stated that she could not recall the condition of the cupboards and drawers at the beginning of the subtenancy.

Determination

- [23] For the reasons below, I find that the evidence does not establish the Tenant's claim for cleaning.
- [24] I find that the Tenant did not provide sufficient evidence to establish that the Subtenant left the Unit and/or common areas unreasonably clean. Further, I find that despite the Tenant seeking a nominal amount for cleaning, the Tenant did not provide sufficient evidence to establish his out-of-pocket expenses.
- [25] The Subtenant's evidence, particularly the video evidence, establishes that the Unit and the common areas were left reasonably clean at the end of the subtenancy. The amount of dirt/debris found in the video does not justify any amount of the security deposit being retained in this case.

- [26] Therefore, the Tenant Application is denied and the Subtenant Application is allowed.
- [27] The Tenant must return the security deposit to the Subtenant, totaling \$700.00 by the timeline below.

IT IS THEREFORE ORDERED THAT

1. The Tenant must pay the Subtenant \$700.00 by January 23, 2026.

DATED at Charlottetown, Prince Edward Island, this 23rd day of December, 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.