

INTRODUCTION

- [1] This decision determines an application filed by the Landlord with the Residential Tenancy Office (the "Rental Office") under the *Residential Tenancy Act* (the "Act").
- [2] The Landlord seeks to keep the security deposit, rent owing in the amount of \$6,175.00, and additional compensation in the amount of \$1,990.21 for cleaning and repairs, for a total claim of \$8,165.21.

DISPOSITION

- [3] The Landlord has established a rent owing claim of \$5,296.77 and a compensation claim of \$946.06.
- [4] The Landlord will keep the security deposit of \$2,578.26.
- [5] The Tenants must pay the Landlord \$3,664.57 by the timeline below.

BACKGROUND

- [6] The Unit is a three-bedroom, two-bathroom duplex building owned by the Landlord.
- [7] The parties entered into a one-year written fixed-term tenancy agreement for the period of June 1, 2024, to May 31, 2025. The tenancy agreement then continued on a monthly basis. Rent of \$2,475.00 was due on the first day of the month. A \$2,475.00 security deposit was paid on April 15, 2024.
- [8] On June 9, 2025, the Landlord's representative (the "Representative") served the Tenants with a first *Form 4(A) Eviction Notice* effective July 20, 2025, for non-payment of rent in the amount of \$3,900.00 (the "First Notice").
- [9] On July 12, 2025, the Representative served the Tenants with a second *Form 4(A) Eviction Notice* effective August 1, 2025, for non-payment of rent in the amount of \$6,175.00 (the "Second Notice").
- [10] On July 15, 2025, the Tenants moved out of the Unit. The parties dispute the end date of the tenancy agreement.
- [11] On July 29, 2025, the Representative filed a *Form 2(B) Landlord Application to Determine Dispute* with the Rental Office seeking to keep the security deposit, rent owing, and additional compensation.
- [12] On October 22, 2025, the Representative filed an amended *Form 2(B) Landlord Application to Determine Dispute* with the Rental Office seeking to keep the security deposit, rent owing, and additional compensation (the "Application"). It was served to the Tenants on the same date.
- [13] On November 4, 2025, the Rental Office sent the parties notice of a teleconference hearing scheduled for December 16, 2025.
- [14] On December 5, 2025, the Rental Office shared a 120-page PDF evidence package with the parties.
- [15] On December 11, 2025, the Representative and the Tenants participated in a teleconference hearing. The parties confirmed that all evidence they submitted to the Rental Office was included in the evidence package.

[16] After the hearing, both parties submitted additional evidence, which was shared with the other party and added to the record.

ISSUES

- A. Has the Landlord established rent owing claims against the Tenants?
- B. Has the Landlord established cleaning and repair claims against the Tenants?

ANALYSIS

A. Has the Landlord established rent owing claims against the Tenants?

[17] The Representative stated that the Tenants owe the Landlord \$6,175.00 in outstanding rent. The Representative stated that the Tenants paid an additional \$200.00 in rent for June to assist with outstanding arrears. The Tenants' outstanding rental arrears are as follows:

| Date | Amount |
|---------------|------------|
| December 2024 | \$275.00 |
| January 2025 | \$175.00 |
| February 2025 | \$975.00 |
| April 2025 | \$2,475.00 |
| June 2025 | (\$200.00) |
| July 2025 | \$2,475.00 |
| Total | \$6,175.00 |

[18] The Representative stated that after she served the First Notice, the Tenants asked if they could stay in the Unit until August 1, 2025. The Representative told the Tenants that if they paid rent for July, then they could stay until August 1, 2025. The Representative stated that she orally rescinded the First Notice; however, she did not rescind it in writing.

[19] The Representative stated that the Tenants did not pay the rent for July on time. On July 12, 2025, she served the Tenants the Second Notice, which had a vacate date of August 1, 2025. The Representative stated that the Tenants should owe the full rent for July because of the vacate date in the Second Notice. The Representative stated that the Unit was on September 1, 2025.

[20] The Tenants stated that they were unable to pay the rent owing due to financial hardship. The Tenants agreed that they owe the rent as stated by the Representative, except for the rent owing for July 2025. They stated that they lived in the Unit only until July 15, 2025, and should owe rent only until that date.

[21] The Tenants stated that they were not aware that the Representative had officially rescinded the First Notice, as it was not in writing. The Tenants were unable to pay rent for July, so they left the Unit before the First Notice's vacate date of July 20, 2025.

[22] Subsection 19(1) of the Act states:

(1) *A tenant shall pay rent when it is due under the tenancy agreement, whether or not the landlord complies with this Act, the regulations or the tenancy agreement, unless the tenant has an express right under this Act to deduct or withhold all or a portion of the rent.*

- [23] The evidence establishes that on June 9, 2025, the Landlord served the Tenants with the First Notice, which required the Tenants to vacate the Unit by July 20, 2025. The parties agreed that the Tenants moved out on July 15, 2025 and that the Tenants owed the Landlord \$3,900.00 in rent at the time the First Notice was served.
- [24] The Tenants did not file an application with the Rental Office to dispute the First Notice or pay the rent owing. Therefore, I find that under subsection 60(5) of the Act, the Tenants are deemed to have accepted that the tenancy ended on July 20, 2025, as stated in the First Notice.
- [25] I find that the Landlord has provided insufficient evidence to establish that the First Notice was rescinded and that the parties mutually agreed to continue the tenancy on a different date.
- [26] Therefore, based on the July 20, 2025, vacate date in the First Notice and the Act's deeming provisions, I find that the tenancy ended on that date. Despite the Tenants stating that they moved out of the Unit on July 15, 2025, I note that vacating the Unit does not automatically end the tenancy under the Act. In this case, overholding does not apply.
- [27] I find that the Landlord has established that the Tenants owe the Landlord \$3,700.00 in rent from December 2024 to June 2025.
- [28] I further find that the Tenants owe the Landlord rent from July 1 to July 20, 2025, in the amount of \$1,596.77 (20 days / 31 days x \$2,475.00).
- [29] The total amount of rent owing is \$5,296.77.

B. Has the Landlord established cleaning and repair claims against the Tenants?

- [30] Subsection 39(2) of the Act states:

(2) *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.*

- [31] The Representative stated that the Landlord is seeking \$1,990.21 in compensation because the Unit was not cleaned upon the Tenants' move-out, and that repairs were required. Photographs of the Unit, a pre-tenancy and post-tenancy inspection report, and a cleaning and repair invoice were submitted as evidence. The Representative stated that the Landlord also repaired additional damage in the Unit that the Landlord did not claim.

Cleaning

- [32] The Representative stated that the cleaning expense was \$322.00 (\$280.00 plus HST). She stated that the Tenants told her they were unable to physically clean the Unit, and this was noted on the post-tenancy inspection report, which the Tenants signed. The bathroom was dirty, the Unit smelled of urine, there was hair and dirt on the floor, the garage was dirty, and the area under the sink needed cleaning.
- [33] The Tenants stated that they cleaned as best they could before they moved out.
- [34] I find that the Landlord has provided sufficient evidence to establish that the Tenants left the Unit below the standard of reasonably clean when they moved out of the Unit. This claim is allowed.

Flooring

[35] The Representative stated that the flooring in a bedroom had to be repaired at a cost of \$1,300.22 (\$1,130.63 plus HST). The flooring had to be fully replaced due to damage caused by a chair. The Landlord had to replace the entire floor because the boards were glued down and the old colour had been discontinued. A new underlay was also required under the floor, and the baseboards and doorway molding had to be removed. The floor was installed in 2021 and was in good condition as noted in the pre-tenancy inspection report.

[36] The Tenants stated that the floor only had some damage to the finish where the chair was. They stated that the entire floor, including the underlay, should not need to be replaced. They stated that the flooring should not have been glued down and that the entire underlay should not have to be replaced.

[37] I find that the Landlord has provided sufficient evidence to establish that the Tenants left the flooring damaged beyond reasonable wear and tear when they moved out of the Unit.

[38] Based on the Landlord's photographs, it appears that only a minimal portion of the flooring had been damaged. I note that the Representative stated she could not obtain the same colour of flooring to replace the damaged boards, which factored into her decision to replace the entire flooring.

[39] However, I find that the Landlord has provided insufficient evidence to establish that the Tenants should be held responsible for the entire replacement cost incurred due to the discontinued flooring.

[40] The Island Regulatory and Appeals Commission (the "Commission"), in Order LR24-06, applied the principle of betterment in determining the amount to be awarded to a landlord for damage caused by a tenant, taking depreciation into account. The Commission noted that a party should not be put in a better position than they would have been had the damage not occurred.

[41] I have factored in the principle of betterment when determining the amount to award the Landlord's claim for damage. Based on the floor's age (2021), the minimal damage the Tenants caused, and the cost to replace the floor, I find that the Tenants must compensate the Landlord 25% of these expenses, totalling \$325.06 (\$282.66 plus HST).

Door replacement and painting

[42] The Representative stated that a bedroom door was damaged and needed to be replaced and painted, and the bedroom's walls were damaged and needed to be repaired and painted. The Unit had been painted before the Tenants moved in and was in good condition. The damages were noted on the post-tenancy inspection report and signed by the Tenants. The total cost was \$345.00 (\$300.00 plus HST).

[43] The Tenants stated that the bedroom had only a small hole in the wall and that it should not cost much to repair.

[44] I find that the Landlord has provided sufficient evidence to establish that the Tenants left the bedroom door and bedroom walls damaged beyond reasonable wear and tear when they moved out of the Unit.

[45] I have factored in the principle of betterment when determining the amount to award the Landlord's claim for damage. Based on the door's age (2021), the fact that the entire door had to be replaced and painted and would be the majority of this expense, that the walls had to be repaired and painted, and that the Unit was painted before the Tenants moved in, I find that the Landlord is entitled to 80% of these expenses, totalling \$276.00 (\$240.00 plus HST).

Garage door opener

[46] The Representative stated that the garage door opener had to be replaced at a cost of \$23.00 (\$19.99 plus HST) because it was not left in the Unit when the Tenants moved out.

[47] The Tenants stated that the garage door opener was damaged due to a motor vehicle collision.

[48] I find that the Landlord has provided sufficient evidence to establish that the Tenants left the garage door opener damaged beyond reasonable wear and tear when they moved out of the Unit. This claim is allowed.

CONCLUSION

[49] I find that the Landlord has established a rent owing claim in the amount of \$5,296.77 and a compensation claim in the amount of \$946.06.

[50] The Landlord will keep the security deposit plus interest of \$2,578.26.

[51] My calculations are as follows:

| Item | Amount |
|-----------------------------------|--------------|
| Rent owing | \$5,296.77 |
| Cleaning and repairs | \$946.06 |
| Security deposit | (\$2,475.00) |
| Interest (Apr. 15/24 – Jan. 9/26) | (\$103.26) |
| Total | \$3,664.57 |

IT IS THEREFORE ORDERED THAT

1. The Landlord will keep the security deposit plus interest of \$2,578.26.
2. The Tenants must pay the Landlord \$3,664.57 by March 9, 2026.

DATED at Charlottetown, Prince Edward Island, this 9th day of January, 2026.

(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.