

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 Tenant seeks a return of double the security deposit, for a total claim of \$2,830.32.

DISPOSITION

- [3] The Landlord and the Respondent, who I find are jointly and severally liable, must pay the Tenant \$2,830.32 by the timeline below.

BACKGROUND

- [4] The Unit is an apartment in a multi-unit building owned by the Landlord.
- [5] On May 9, 2025, the Tenant paid the Respondent a security deposit of \$1,400.00 for the Unit. On May 20, 2025, the Tenant and the Respondent signed a written fixed-term tenancy agreement for the Unit, effective from July 1, 2025, to December 31, 2025, listing the Respondent’s company as the landlord. Rent of \$1,400.00 was due on the first day of the month. The Tenant did not move into the Unit.
- [6] On July 21, 2025, the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* (the “Application”) with the Rental Office seeking a return of double the security deposit, including interest. The Tenant served the Application to the Respondent by email on July 23, 2025.
- [7] On August 22, 2025, the Rental Office sent the Tenant and the Respondent notice of a paper-based hearing with a first submission deadline of September 9, 2025.
- [8] On September 16, 2025, the Rental Office sent the Tenant and the Respondent an evidence package with a second submission deadline of September 23, 2025.
- [9] On September 25, 2025, a response evidence package was sent to the Tenant and the Respondent.
- [10] On October 2, 2025, the Island Regulatory and Appeals Commission (the “Commission”) issued Order LR25-46, which is similar to this dispute, as it involved both the Landlord’s representative (the “Landlord’s Representative”) and the Respondent, but a different property owner, a different rental unit, and a different tenant.
- [11] On October 15, 2025, the Director added the Landlord as a party to this matter under section 81 of the Act, and all parties were notified of the continuation of the paper-based hearing. A copy of the Application and all evidence submitted to date was sent to the Landlord. The Landlord was given a submission deadline of October 31, 2025.
- [12] The Landlord’s Representative and the Respondent both requested additional time to submit evidence. All parties provided additional submissions, which were shared with the other parties.
- [13] On December 18, 2025, the Rental Office sent the parties additional Landlord evidence (two audio recordings, two pictures, and copies of Rental Office Orders LD25-307 and LD25-308), which had not previously been shared with the parties due to a technical error. The parties were provided with a response deadline of December 22, 2025; however, no party made any additional submissions.

- [14] On January 20, 2026, the Rental Office sent the parties a copy of Order LR25-46, which was added to the record as Director's Evidence. The parties were given a response deadline of January 21, 2026; however, no party made any additional submissions.
- [15] I have reviewed all of the evidence submitted and prepared this Order.

ISSUES

- A. Was there a tenancy agreement between the Tenant, the Landlord, and the Respondent?
- B. Must the Tenant be compensated double the security deposit?

EVIDENCE

Tenant's evidence and submissions

- [16] The Tenant stated that his security deposit of \$1,400.00 was never returned.
- [17] The Tenant stated that in May 2025, he met the Respondent at an apartment building and discussed renting an apartment. The Respondent told the Tenant that the Unit was available for rent.
- [18] The Tenant stated that on May 9, 2025, he paid the Respondent a security deposit of \$1,400.00 for the Unit, believing that the Respondent was the Unit's landlord. On May 20, 2025, the Tenant and the Respondent signed a tenancy agreement for the Unit, effective July 1, 2025.
- [19] The Tenant submitted a copy of his bank records and the tenancy agreement as evidence. In the tenancy agreement, the Respondent's company is listed as the "landlord" of the Unit, and the Respondent is listed as the "Superintendent or Property Manager."
- [20] The Tenant stated that on June 29, 2025, the Respondent notified the Tenant that he could not move into the Unit. The Respondent asked the Tenant for his preferred method of receiving a security deposit refund. The Tenant provided his email address and banking information for the refund.
- [21] The Tenant stated that he spoke to the Landlord's Representative in July 2025. He stated that he told the Landlord's Representative he had paid the Respondent a security deposit for the Unit, but he had not moved in or received a refund. The Tenant stated that he has not received a refund of his security deposit, despite being notified by the Respondent that he would receive it back.

Landlord's evidence and submissions

- [22] The Landlord's Representative stated that she first met the Respondent in 2023, and he told her that he was a property manager for his own independent company. She stated that her relationship with the Respondent was "purely business." In May 2025, the Respondent asked the Landlord's Representative if there was a vacant rental unit he could rent and then sublet, and she told him that the Unit was available. The Landlord's Representative further stated that on May 19, 2025, the Respondent paid the Landlord's Representative a \$1,400.00 security deposit for the Unit.
- [23] The Landlord's Representative stated that on May 19, 2025, the Respondent notified her that he signed a tenancy agreement with two tenants (the "two tenants") for the Unit, effective June 1, 2025. She stated that she was unaware that the Respondent had also signed a separate tenancy agreement with the Tenant until a later date.

- [24] The Landlord's Representative submitted a copy of the tenancy agreement entered into between the Respondent and the two tenants as evidence. The two tenants' tenancy agreement states that the Respondent and the two tenants signed it on May 19, 2025, and it became effective on June 1, 2025.
- [25] The Landlord's Representative submitted a copy of Rental Office Orders LD25-307 and LD25-308 (the "Orders") as evidence, which involves the Landlord, the Landlord's Representative, the Respondent, the Unit, and the two tenants. The Orders also state that the Respondent and the two tenants had entered into a written month-to-month tenancy agreement for the Unit, beginning June 1, 2025.
- [26] The Landlord's Representative submitted messages dated July 6, 2025, that she had sent to the Respondent requesting the rent owing for the Unit and other units, stating:
- "You have two months didn't pay" and "You have a lot of units with unpaid rent right now, that's not good dear."*
- [27] In the messages, the Respondent replied:
- "I know, and I do understand business. Sorry about that," "What I can do is when I see you tomorrow I can pay this month's n next months rent advance together" and "So the owner can understand as well."*
- [28] The Landlord's Representative stated that on July 9, 2025, she spoke with the Tenant, who notified her that he had paid the Respondent a \$1,400.00 security deposit for the Unit but was unable to move in. She stated that this was the first time she became aware of the tenancy agreement the Respondent entered into with the Tenant.

Respondent's evidence and submissions

- [29] The Respondent stated that his relationship with the Landlord's Representative was "business-to-business." He assisted the Landlord's Representative in finding tenants for apartments, but he was never paid his commissions.
- [30] The Respondent stated that he showed the Tenant several units, but the Tenant stated they were too expensive. The Tenant expressed interest in the Unit, but his references were "unclear," and his income documents were "incomplete."
- [31] The Respondent stated that he accepted the security deposit on the understanding that the Tenant would pay rent once the Tenant's details were confirmed. The Respondent stated that he received the Tenant's security deposit and gave it to the Landlord's Representative in cash, but that he does not have any record of giving the cash to her.
- [32] The Respondent stated that before the Tenant could move into the Unit, the Tenant began sending multiple people to view the Unit, allowed unknown individuals to disturb the Unit's tenants, and changed details about who would be living in the Unit.
- [33] The Respondent stated that due to the Tenant's actions, he informed the Tenant that the tenancy agreement would not proceed and that the Landlord would refund the security deposit. The Respondent stated that he also offered the Tenant another apartment managed by the Landlord's Representative; however, the Tenant stated that he had already found alternate accommodations.
- [34] The Respondent stated that he told the Landlord's Representative about the Tenant and the need to refund the security deposit. The Respondent stated that the Landlord's Representative told him that she could not refund the Tenant's security deposit at that time due to procedural reasons.

ANALYSIS**A. Was there a tenancy agreement between the Tenant, the Landlord, and the Respondent?**

[35] Subsections 1(h) and (x) of the Act define a landlord and tenant as follows:

(h) **“landlord”**, in relation to a rental unit, includes

(i) the owner of the rental unit, the owner’s agent or another person who, on behalf of the owner,

(A) permits occupation of the rental unit under a tenancy agreement, or
(B) exercises powers and performs duties under this Act or a tenancy agreement,

(ii) the heirs, assigns, personal representatives and successors in title to the owner,

(iii) a person, other than a tenant occupying the rental unit, who

(A) is entitled to possession of the rental unit, and
(B) exercises any of the rights of a landlord under a tenancy agreement or this Act in relation to the rental unit, and

(iv) a former landlord, as the context requires.

(x) **“tenant”** includes

(i) a person who is entitled to use or occupy a rental unit under a tenancy agreement,

(ii) the assigns and personal representative of a person referred to in subclause (i), and

(iii) when the context requires, a former or prospective tenant.

[36] In Order LR25-46, the Commission determined a similar matter, which also involved the Landlord’s Representative and the Respondent, but a different property owner, a different rental unit, and a different tenant. The Commission stated as follows:

“37. ... the Commission finds that [the Respondent] was, **at the time the Agreement was entered into, acting as either an agent or another person on behalf of the property owner, thus meeting the definition of “landlord” under the Act** [emphasis added]. We are satisfied that, based on the evidence we heard, [the Landlord’s Representative] was the representative of the Landlord, but [the Landlord’s Representative] had undertaken an arrangement with [the Respondent] to assist her in marketing several rental units, including the Rental Unit at issue in this appeal. In effect, it would seem that there was a chain of representation with [the Respondent] reporting to [the Landlord’s Representative] and [the Landlord’s Representative] reporting to the Landlord.

38. At the Rental Office hearing it seems that [the Landlord’s Representative] purported that [the Respondent] was a “tenant”. However, the Commission notes that no evidence of any written tenancy agreement between the Landlord and [the Respondent] was provided to the Commission. Nor was there any evidence that [the Respondent] ever occupied the Rental Unit. Further, there is evidence before the Commission that [the Respondent] was involved with [the Landlord’s Representative] on several other units. The Commission, therefore, finds it untenable that [the Respondent] was truly a “tenant” of the Rental Unit, while also being involved with other units...

41. Accordingly, the Commission finds that [the Respondent] was not a tenant but rather was assisting [the Landlord’s Representative] and thus an agent or acting on behalf of the Landlord. Therefore, the Agreement entered into between [the Respondent] and [the tenant] was a tenancy agreement for the Rental Unit, not a subletting agreement...

47. In the Commission's opinion, any alleged lack of payment from [the Respondent] to the Landlord is a matter to be determined between them. A dispute between a landlord and an agent of a landlord is beyond the jurisdiction of the rental Office and the Commission..."

- [37] The evidence establishes that the Respondent listed an "operating name" as the landlord on the tenancy agreement. The Respondent provided no evidence that the operating name was a provincially or federally incorporated company at the time the tenancy agreement was entered into. As such, I find that the Respondent and the operating name are the same person in this matter.
- [38] Similar to the Commission's finding, I find that the evidence supports that the Respondent entered into an arrangement with the Landlord's Representative to assist her in marketing several rental units, including the Unit owned by the Landlord. I further find that the evidence establishes that there was a chain of representation with the Respondent reporting to the Landlord's Representative and the Landlord's Representative reporting to the Landlord.
- [39] I find that the evidence establishes that, at the time the Respondent entered into the tenancy agreement with the Tenant, the Respondent was an agent or a person acting on behalf of the Landlord, making the Landlord liable to the Tenant.
- [40] I further find that, as an agent or a person acting on behalf of the Landlord, and by representing himself as a landlord on the tenancy agreement, the Respondent also meets the statutory definition of a "landlord" as defined by the Act, making the Respondent liable to the Tenant.
- [41] I find that the Respondent meets the statutory definition of a landlord because, on behalf of the Landlord, the Respondent agreed to permit the Tenant's occupation of the Unit under a tenancy agreement. Furthermore, the Respondent exercised the powers and performed the duties of the Landlord as defined by the Act by accepting a security deposit from the Tenant for the Unit.
- [42] Additionally, clause 11(2)(b) of the Act states that a landlord shall ensure that the tenancy agreement complies with the requirements of the Act, which includes "the correct legal names of the landlord and tenant." In this case, the Respondent listed an operating name, which I find is the same person as the Respondent, as the "correct legal name of the landlord" in the tenancy agreement.
- [43] Furthermore, because the Respondent represented himself as a landlord on the tenancy agreement, I find that the Respondent is prevented from now denying this fact.
- [44] As the Landlord and the Respondent are both "landlords" within the statutory definition under the Act, I find that both the Landlord and the Respondent are jointly and severally liable in this matter.
- [45] Finally, I find that the evidence does not establish a written tenancy agreement between the Landlord and the Respondent for the Unit. There is no evidence that the Respondent occupied the Unit, and I find that the Respondent was not a "tenant" of the Unit.
- [46] The evidence does not support the Landlord's Representative's assertion that the tenancy agreement was only between the Respondent and the Tenant or that the Respondent was subletting the Unit from the Landlord.
- [47] I note that any alleged payment disputes directly between the Respondent and the Landlord and/or the Landlord's Representative are outside the Rental Office's jurisdiction.
- [48] These findings are also consistent with the Commission's findings in Order LR25-46.

B. Must the Tenant be compensated double the security deposit?

- [49] I find that the Tenant has established a claim for double the security deposit, including interest, payable by the Landlord and the Respondent, who are jointly and severally liable to the Tenant.
- [50] 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.*
- [51] The evidence establishes that on May 20, 2025, the Respondent and the Tenant signed a tenancy agreement for the Unit, effective July 1, 2025. However, on June 29, 2025, the Respondent notified the Tenant that he could not move into the Unit, due to alleged behaviour issues.
- [52] However, the evidence establishes that the Tenant agreed to a refund of the security deposit on June 29, 2025. Therefore, I find that the tenancy agreement was terminated by mutual agreement on June 29, 2025, under subsection 51(3) of the Act, which states that “*A landlord and a tenant may make a written agreement, other than a tenancy agreement, to end a tenancy.*”
- [53] As such, I find that the Landlord and the Respondent (as a landlord), being jointly and severally liable to the Tenant, had until July 14, 2025 (15 days from June 29, 2025) to either return the security deposit or apply with the Rental Office claiming against the security deposit; however, they did neither.
- [54] The Landlord’s Representative stated that the Tenant told her on July 9, 2025, that he had paid the Respondent a security deposit but did not move into the Unit. Therefore, I am satisfied that the Landlord’s Representative was aware that the security deposit had been paid before the 15-day timeline expired.
- [55] There are no earlier Rental Office decisions authorizing the Landlord or the Respondent to keep the security deposit. There is no evidence that the parties entered into a written agreement permitting the Landlord or the Respondent to keep the security deposit.
- [56] I find that the Landlord and the Respondent did not comply with the Section 40 requirements for keeping a security deposit. Therefore, by operation of law, the Landlord and the Respondent, being jointly and severally liable to the Tenant, must compensate the Tenant double the security deposit, including interest on the principal amount, under subsection 40(4) of the Act.

CONCLUSION

- [57] I find that the Respondent, acting as the Landlord's agent, or a person acting on behalf of the Landlord, entered into a signed tenancy agreement with the Tenant, binding the Landlord and the Tenant.
- [58] I find that the Respondent also represented himself as a landlord in the tenancy agreement, thereby making him a landlord within the meaning of the Act and binding him as a landlord in this matter. Therefore, the Landlord and the Respondent are jointly and severally liable to the Tenant.
- [59] I find that the Tenant has established a claim for double the security deposit, including interest, totalling \$2,830.32, payable by the Landlord and the Respondent, by the timeline below.
- [60] My calculations are as follows:

Item	Amount
Security Deposit	\$1,400.00
Interest (May 9/25 – March 13/26)	\$30.32
Double Security Deposit	\$1,400.00
Total	\$2,830.32

IT IS THEREFORE ORDERED THAT

- The Landlord and the Respondent must pay the Tenant \$2,830.32 by April 13, 2026.

DATED at Charlottetown, Prince Edward Island, this 13th day of March, 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.