

## INTRODUCTION

- [1] This decision determines an application the Landlords filed with the Residential Tenancy Office (the "Rental Office") under the *Residential Tenancy Act*, cap. R-13.11 (the "Act").
- [2] The Landlords seek to keep the Tenants' security deposit plus additional compensation for lost rental income, cleaning and repairs, in the total amount of \$4,796.29.

## DISPOSITION

- [3] The Landlords' claims are established, in part, in the total amount of \$2,029.26. The Landlords will keep the Tenants' security deposit, including interest, in the amount of \$818.13.
- [4] The Tenants must pay the Landlords the remaining balance, in the amount of \$1,211.13 by the timeline below.

## BACKGROUND

- [5] The Unit is a two-bedroom, one-bathroom single-family dwelling, owned by the Landlords since 2016.
- [6] On April 30, 2025 the parties signed a *Form 1 Standard Form of Tenancy Agreement* effective May 1, 2025 (the "Tenancy Agreement"). Rent in the amount of \$800.00 was due on the first day of the month. The Tenants paid the Landlords an \$800.00 security deposit on May 2, 2025. The parties dispute the term of the tenancy.
- [7] On August 8, 2025 the Tenants text messaged the Landlords notifying them that they would be vacating the Unit by the end of September 2025.
- [8] On August 25, 2025 the Tenants text messaged the Landlords updating that they had purchased a house with a closing date of September 15, 2025. The Tenants stated that they hoped to be out of the Unit by end of September 2025.
- [9] On September 24, 2025 the Tenants vacated the Unit.
- [10] On October 14, 2025 the Landlords filed a *Form 2(B) Landlord Application to Determine Dispute* (the "Application") with the Rental Office seeking to keep the Tenants' security deposit plus additional compensation.
- [11] On October 15, 2025 the Landlords served the Application to the Tenants by email.
- [12] On December 11, 2025 the Rental Office mailed and emailed the parties notice of a teleconference hearing scheduled for January 29, 2026.
- [13] On January 9, 2026 the Landlords amended the Application seeking further compensation. The Landlords served the amended Application to the Tenants by email.
- [14] On January 9, 2026 the Rental Office emailed the parties an updated notice of a teleconference hearing scheduled for January 29, 2026.
- [15] On January 23, 2026 the Rental Office emailed the parties a TitanFile link to a 106-page PDF evidence package.
- [16] On January 29, 2026 the Landlords, the Landlords' witness ("WB") and the Tenants joined the hearing. The parties confirmed that they received the evidence package and confirmed that all documents submitted to the Rental Office were included.

## ISSUE

- A. Have the Landlords established lost rental income, cleaning and repair costs against the Tenants?

## ANALYSIS

- [17] The Landlords have the onus to prove their claims against the Tenants on the civil standard of a balance of probabilities. This means that there must be sufficiently clear and convincing evidence to find that the claims are more likely correct than not.
- [18] The Landlords seek compensation for lost rental income, cleaning and repairs, in the total amount of \$4,796.29.

### The End of the Tenancy & Lost Rental Income

#### Summary of the Evidence & Findings

- [19] The parties disputed the term of the Tenancy Agreement. The Landlords argued that the Tenancy Agreement was for a fixed-term. The Tenants argued that the Tenancy Agreement was a monthly agreement.
- [20] The parties agreed that the Tenants gave the Landlords notice on August 8, 2025 that they intended to vacate the Unit at the end of September 2025. On September 14, 2025 the Tenants text messaged the Landlords confirming that they were vacating the Unit on September 24, 2025.
- [21] The Landlords argue that the Tenancy Agreement ended on September 30, 2025 and is seeking lost rental income for October 2025, in the amount of \$800.00.
- [22] The Tenants argue that the Tenancy Agreement ended on September 24, 2025. The Tenants also argue that the Landlords did not file the Application within 15-days after the tenancy ended.
- [23] I have reviewed the evidence and submissions.
- [24] I find that the Tenancy Agreement had a periodic, monthly term. Included in the evidence was a copy of the Tenancy Agreement. The Tenancy Agreement under *Term* stated that the agreement will begin on May 1, 2025, and the end date was left blank.
- [25] Subsections 1(g) and (l) of the *Act* define *fixed-term tenancy* and *periodic tenancy* as follows:
- “fixed-term tenancy”** means a tenancy under a tenancy agreement that specifies the date on which the term ends;
- ...
- “periodic tenancy”** means a tenancy on a weekly, monthly or other periodic basis under a tenancy agreement that continues until it is ended in accordance with this Act.
- [26] The evidence presented establishes that the Tenancy Agreement does not have a specified end date. Therefore, the tenancy had a periodic monthly term.
- [27] As a periodic monthly agreement, the Tenants were required to give notice to end the tenancy under subsection 55(2) of the *Act* which 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; and*

(b) *is the day before the day that rent is payable under the tenancy agreement.*

- [28] I find that the tenancy ended September 30, 2025.
- [29] The evidence establishes that the Tenants gave the Landlords notice on August 8, 2025 for the end of September 2025. The Tenants vacated the Unit early, on September 24, 2025. Despite the Landlords not disagreeing with the Tenants moving out on September 24, 2025, I find that there is insufficient evidence to establish that the Landlords agreed to end the tenancy before September 30, 2025.
- [30] As a result, I find that the Landlords filed the Application within 15-days from the end of the tenancy.
- [31] The Landlords are seeking \$800.00 for lost rental income for October 2025. The Landlords stated that the Unit required cleaning and repairs, which made the Unit uninhabitable for the month of October. The cleaning and repair claims total \$3,996.29, which WB completed over approximately 34-hours.
- [32] As noted above, the tenancy ended on September 30, 2025 because the Tenants gave the Landlords sufficient notice under the *Act*.
- [33] In Order LR25-25 the Island Regulatory and Appeals Commission (the "Commission") awarded the landlords lost rental income after the tenants vacated the rental unit. However, in the specific context of Order LR25-25 the Commission awarded the landlords one-month of lost rental income because the tenants caused significant damage, which costed the landlord over \$21,000.00 for repairs. The repairs also started in early November 2024 and were not complete until February 1, 2025.
- [34] I find that in this case the evidence presented establishes the degree of damage and cleaning to the Unit was much less significant and much shorter to repair than in Order LR25-25. Therefore, I find that the Landlords' claim for lost rental income is denied.

### **Cleaning & Repairs**

#### **Summary of the Evidence & Findings**

- [35] The parties did not complete move-in and move-out inspection reports. The Tenants text messaged the Landlords after they vacated the Unit stating they were unable to do a walkthrough with the Landlords.
- [36] The Tenants submitted photographs of the Unit prior to the start of the tenancy.
- [37] The Landlords submitted photographs of the Unit taken by WB after the tenancy ended.
- [38] The Landlords stated that the Unit's condition was unclean and damaged beyond reasonable wear and tear at the end of the tenancy. The total cost to clean and repair the Unit was \$3,996.29. The Landlords stated that they paid WB to clean and repair the Unit.
- [39] The Landlords stated that the Unit was completely renovated when they purchased the Unit in 2016. The Landlords stated that the floor that needed to be replaced was approximately four years old.
- [40] WB stated that he has done repair work for the Landlords for the past 4-years. WB stated that he provided the Landlords with the invoice submitted into evidence.

- [41] WB stated that the Unit required extensive cleaning and repair due to animal urine damage. The work included deep cleaning of the Unit, appliances, and baseboards heaters. There was a lot of dog hair in the Unit due to the Tenants' four dogs. Repairs and replacements were done for cabinets, doors, window screens, weatherstripping and wall panel. The total cost for supplies and labour came to \$3,996.92.
- [42] WB stated that the cost of labour for cleaning and repairs was approximately 34-hours at an hourly rate of \$30.00 an hour.
- [43] The Tenants agreed that some cleaning was necessary for the Unit, however, the Tenants stated that \$1,310.92 was unreasonable. The Tenant stated that \$800.00 would be the maximum amount reasonable in this case.
- [44] The Tenants stated that there was some pre-existing damage to the Unit. The Tenants stated that the Landlords did not submit photographs of the main floor, and the Landlords' evidence is insufficient.
- [45] The Tenants stated that the dogs did not urinate in the house. The Tenants stated that they were unsure about any smell in the Unit. The Tenants stated that the floor tiles were very old.
- [46] The Tenants denied causing damage to the cabinets and the doors.
- [47] The Tenants admitted to breaking one of the four screens. The Tenants stated that two of the screens never existed since the start of the tenancy and the other screen was never used by the Tenants.
- [48] I have reviewed the evidence and submissions.
- [49] Clause 39(2)(a) of the *Act* provides the cleanliness and damage standard at the end of a tenancy, stating as follows:
- 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...*
- [50] The *Act* also provides that a tenant is responsible for "undue damage" to a rental unit that is caused by the actions or neglect of the tenant (see subsection 28(4)). A tenant is not reasonable for reasonable wear and tear. The Landlords have the onus to prove their claims against the Tenants.
- [51] The evidence presented establishes that the Unit was left in a condition below reasonably clean. The Landlords' evidence, particularly the photographs and direct testimony of WB establishes compensation for cleaning is reasonable in this case. The Tenants agreed that the Unit required cleaning, however, disputed the amount claimed by the Landlords.
- [52] I find that the evidence presented establishes a cleaning claim in the amount of \$800.00. I find that this is a reasonable amount to award based on the photographs and direct testimony of WB. This amount includes both the cleaning materials and labour.
- [53] The Landlords seek \$2,685.37 in repairs for damage.
- [54] The Tenants agree to damaging one of the window screens, however, dispute the remaining claims of the Landlords.
- [55] The Tenants submitted lower quality photographs of the Unit prior to the beginning of the tenancy. The Tenants argue some of the damage claimed by the Landlords is pre-existing.

- [56] I find that the Landlords did not complete a move-in or move-out inspection report, which is required under sections 18 and 38 of the *Act*.
- [57] However, I find that the evidence presented establishes that there was some undue damage to the floors caused by animal urine. Particularly, the Landlords' photographs at the end of the tenancy and the direct testimony of WB establishes, on a balance of probabilities, that the Tenants caused undue damage to the floors.
- [58] The Landlords' repair cost for the floors is \$1,467.76 plus \$256.89 for priming the floors.
- [59] The Commission has previously commented on what it must consider when determining amounts to be awarded to landlords where a tenant caused undue damage. In Order LR24-06, the Commission commented on the concept of "betterment." Generally, speaking, the principle of betterment applies such that a party should not be put in a better position than they would have been had the particular wrong doing not occurred.
- [60] In Order LR25-25 the Commission applied the betterment principle to damage floors as a result of dog urine. In that case the Commission reduced the landlords' claim by 25%.
- [61] In this case, I find that the floors are at least 4-years old and that the Unit received a complete renovation in 2016. However, the Unit had previous tenants occupying the Unit before the Tenants started their tenancy. Over this period of time, it is expected that the floors would have reasonable wear and tear. To account for this, I find it reasonable to reduce the Landlords' floor repair claim by 25% and the primer claim by 50%.
- [62] I find that the Tenants agreed to damaging one of the window screens. Therefore, the Tenants are responsible for 1/4<sup>th</sup> of the total claim, in the amount of \$51.71.
- [63] I find that there is insufficient evidence to establish the Tenants wilfully or negligently caused undue damage to the cabinets, doors, baseboards, weatherstripping and pine wall. The remaining claims are denied.
- [64] This claim is allowed in part.

## CONCLUSION

- [65] The Landlords have established a total claim of \$2,029.26, calculated as follows:

Claim	Amount
Cleaning	\$800.00
Floor replacement (\$1,467.76) reduced by 25%	\$1,100.82
Primer (\$256.89) reduced by 50%	\$128.44
<b>Total</b>	\$2,029.26
Deduct security deposit plus interest	(\$818.13)
<b>Net total</b>	\$1,211.13

- [66] The Landlords will keep the Tenants' security deposit, including interest (\$18.13), in the amount of \$818.13. The Tenants must pay the Landlords additional compensation of \$1,211.13 by the timeline below.

**IT IS THEREFORE ORDERED THAT**

1. The Landlords will keep the Tenants' security deposit, including interest, in the amount of \$818.13.
2. The Tenants must pay the Landlords additional compensation in the amount of \$1,211.13 by April 20, 2026.

**DATED** at Charlottetown, Prince Edward Island, this 20th day of March, 2026.

(sgd.) Cody Burke

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**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.