

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 rent, double the security deposit, and additional compensation for a total claim of \$5,711.38.

DISPOSITION

- [3] The Landlords and the Respondent, who I find are jointly and severally liable, must pay the Tenant a return of rent and double the security deposit plus interest, in the amount of \$4,636.68, by the timeline below.
- [4] The Tenant's additional compensation claim is denied.

BACKGROUND

- [5] The Unit is an apartment in a four-unit building owned by the Landlords.
- [6] On May 16, 2025, the Tenant and another individual ("T1") entered into a written fixed-term tenancy agreement for the Unit with the Respondent effective from June 1, 2025, to November 30, 2025. Rent of \$1,550.00 was due on the first day of the month; however, the Tenant only paid \$1,500.00 for the first month's rent. A security deposit of \$1,550.00 was paid on May 16, 2025. The Tenant did not move into the Unit.
- [7] T1 is not a party to this matter.
- [8] On July 14, 2025, the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* (the "Application") with the Rental Office seeking a return of rent, a return of double the security deposit and additional compensation. The Tenant served the Application to the Respondent by email on July 15, 2025.
- [9] On August 22, 2025, the Rental Office sent the Tenant and Respondent notice of a paper-based hearing with a first submission deadline of September 4, 2025.
- [10] On September 5, 2025, the Rental Office sent the Tenant and Respondent a 38-page PDF evidence package with a second submission deadline of September 11, 2025.
- [11] On September 16, 2025, the Rental Office sent the Tenant and Respondent a 15-page PDF response evidence package.
- [12] On October 2, 2025, the Island Regulatory and Appeals Commission (the "Commission") issued Order LR25-46, which is similar to this dispute in that it involved one of the Landlords (the "Landlord"), who was acting as a landlord representative, and the Respondent, but a different rental unit (owned by a different landlord) and a different tenant.
- [13] On October 16, 2025, the Director added the Landlords as parties 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 Landlords. The Landlords were given a submission deadline of October 31, 2025.
- [14] On November 7, 2025, the Landlords requested an extension to the evidence submission deadline. The Landlords were given an extended submission deadline of November 14, 2025. Due to technical difficulties, the Landlords' evidence submission deadline was extended to November 27, 2025.

- [15] On November 28, 2025, the Rental Office sent the Landlords' additional evidence (a 111-page PDF) to the Tenant and the Respondent with a response submission deadline of December 10, 2025.
- [16] On December 10, 2025, the Respondent requested an extension to the evidence submission deadline. The Respondent was provided with an extended submission deadline of December 17, 2025.
- [17] On December 15, 2025, the Respondent requested another extension to the evidence submission deadline. The Respondent was provided with an extended submission deadline of December 22, 2025.
- [18] On December 23, 2025, the Respondent's additional evidence (an 8-page PDF) was sent to the Landlords and to the Tenant. The parties were notified that no further submissions would be accepted after this date.
- [19] On January 5, 2026, the Rental Office sent the parties a copy of the Commission Order LR25-46, which was added to the record as Director's Evidence.
- [20] I have reviewed all of the evidence submitted and prepared this Order.

ISSUES

- A. Was there a tenancy agreement between the Tenant, the Landlords, and the Respondent?
- B. Has the Tenant established his compensation claims?

EVIDENCE**Tenant's evidence and submissions**

- [21] The Tenant stated that he is seeking a return of \$1,500.00 in rent, a return of the security deposit of \$1,550.00, and additional compensation of \$1,075.00 for a "settlement."
- [22] The Tenant stated that on May 16, 2025, the Tenant and another individual (T1) entered into a written tenancy agreement with the Respondent for the Unit. On May 16, 2025, the Tenant paid the Respondent a security deposit of \$1,550.00 and the first month's rent of \$1,500.00. The Tenant submitted copies of his banking records and the tenancy agreement as evidence.
- [23] The Tenant stated that on May 29, 2025, he received a message from the Respondent's email account. The email stated that, due to unforeseen circumstances, the Tenant could not move into the Unit. The email also stated that the security deposit and rent would be refunded to the Tenant.
- [24] The Tenant stated that on June 25, 2025, the Tenant received an email from the Respondent's email account again stating that the Tenant would be refunded. The Tenant stated that on July 7, 2025, the Respondent messaged the Tenant to say the refund had been sent via direct deposit. The Tenant stated that he has not received any money back from the Respondent.

Landlords' evidence and submissions

- [25] The Landlord stated that she owns properties she rents, including the Unit, and that she also acts as a landlord representative for a separate company. She stated that since 2023, she has often been approached by property managers seeking to rent properties at bulk prices.

- [26] The Landlord stated that she first met the Respondent in March 2023 and that the Respondent told her he was a property manager. In early March 2025, the Respondent contacted the Landlord and asked whether she had any vacant properties available for rent. The Respondent told her that he wanted to rent properties at bulk prices for subletting.
- [27] The Landlord submitted messages sent by the Respondent in May 2025, which stated:
- “Are there any other apartments? I do have many clients at this time, but the issue is that we need good apartments...”* and *“Also, keep me posted if more apartments come up.”*
- [28] The Landlord stated that between March 2025 and May 2025, the Respondent rented four properties from her, as a landlord representative, but none of those properties included the Unit. The Landlord stated that only one written agreement was signed between the Respondent and the Landlord, and no written agreements were signed for the other three properties. There was no agreement made that the Respondent could rent the Unit.
- [29] The Landlord stated that on or about May 7, 2025, the Respondent contacted her and asked to view the Unit. The Respondent inquired about whether the Unit’s rent included utilities, and the Landlord told him it did not.
- [30] The Landlord stated that on May 11, 2025, the Unit was rented to a tenant, and she signed a tenancy agreement with the new tenant. A copy of the tenancy agreement was submitted as evidence. The Landlord stated that on May 14, 2025, the Landlord notified the Respondent that the Unit had been rented and was no longer available.
- [31] The Landlord stated that on June 16, 2025, the Landlord messaged the Respondent to inform him that he was overdue in paying rent for the four rental properties, stating:
- “You have too much payment didn’t pay, owner is is very dissatisfied with my work”* and *“I know your family in the hospital, but I don’t wanna lost my job.”*
- [32] The Landlord stated that in June 2025, the Respondent paid \$7,000.00 toward rental arrears for the four rental properties, but he still owed \$6,100.00. In July 2025, the Respondent was \$12,700.00 in arrears.
- [33] The Landlord messaged the Respondent, stating, *“You have a lot of units with unpaid rent right now...”* The Respondent replied, stating, *“I know, and I do understand business. Sorry about that.”*
- [34] The Landlord stated that until the Rental Office notified her of this matter, she did not know the Respondent had entered into a tenancy agreement with the Tenant for the Unit. She stated that she had not received any of the Tenant’s funds from the Respondent.

Respondent’s evidence and submissions

- [35] The Respondent stated that there was never a written contract between himself and the Landlord. The Respondent stated that he was only a manager/commission-based agent for the Landlord with respect to the Unit and other rental units and that he did not have any decision-making authority. The Respondent stated that he is still owed his commissions.
- [36] The Respondent stated tenants would pay him the security deposit and rent for rental units; however, the funds were then handed over in cash or transferred directly to the Landlord. The Respondent stated that any mishandling of funds would be the Landlord’s responsibility.

- [37] The Respondent stated that the e-Transfer payments listed in evidence by the Landlord are accurate but incomplete. He stated that additional payments were made in cash, which was common because the Respondent had cash income from another business that he owned. The amounts the Landlord describes as “arrears” were paid in cash to the Landlord.
- [38] The Respondent stated that, regarding the Unit, the Tenant contacted him after seeing his online post about renting it. The Respondent stated that his only point of contact was the Landlord, who provided him with property access details and lock passwords for the Unit. The Respondent stated that he forwarded those details to the Tenant, who then inspected the Unit when the Respondent scheduled the viewing.
- [39] The Respondent stated the Tenant confirmed his interest in renting the Unit. The Respondent stated the Tenant sent the Respondent a security deposit and rent to secure the Unit for June 1, 2025. The Respondent stated he gave the money to the Landlord, either in cash or by e-Transfer.
- [40] The Respondent stated that a few days before the scheduled move-in, the Tenant received an email from the Respondent’s company’s email account, stating that the Tenant would no longer be able to move into the Unit. The Respondent tried to find the Tenant another unit, but none were suitable for the Tenant’s family.
- [41] The Respondent stated that he tried to speak with the Landlord about the matter, but the Landlord told him she had her own reasons for not renting the Unit to the Tenant. The Landlord then stopped communicating with the Respondent.

ANALYSIS

A. Was there a tenancy agreement between the Tenant, the Landlords, and the Respondent?

- [42] 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.

- [43] In Order LR25-46, the Commission determined a similar matter involving the Landlord (acting as a landlord representative) and the Respondent, but a different rental unit (owned by a different landlord) 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] was the representative of the [rental unit’s landlord], but [the Landlord] 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] and [the Landlord] reporting to the [rental unit’s landlord].*

38. At the Rental Office hearing it seems that [the Landlord] 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] 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] and thus an agent or acting on behalf of the [rental unit’s landlord]. Therefore, the Agreement entered into between [the Respondent] and [the rental unit’s 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 [rental unit’s 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...”

- [44] Similar to the Commission’s finding, I find that the evidence supports that the Respondent entered into an arrangement with the Landlord to assist her in marketing several rental units, including the Unit. I further find that the evidence establishes that there was a chain of representation with the Respondent reporting to the Landlord.
- [45] 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 Landlords, making the Landlords liable to the Tenant.
- [46] I find that the Respondent also meets the statutory definition of a “landlord” as defined by the Act, also making the Respondent liable to the Tenant. The Respondent meets the statutory definition of a “landlord” because, on behalf of the Landlords, 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 a landlord as defined by the Act by accepting a security deposit and rent from the Tenant for the Unit.
- [47] As the Landlords and the Respondent are both “landlords” within the statutory definition under the Act, I find that both the Landlords and the Respondent are jointly and severally liable in this matter.
- [48] Finally, I find that the evidence does not establish a written tenancy agreement between the Landlords 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.
- [49] I note that any alleged payment disputes directly between the Respondent and the Landlords are outside the Rental Office’s jurisdiction.
- [50] These findings are also consistent with the Commission’s findings in Order LR25-46.

- [51] Additionally, 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.
- [52] 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, as the Respondent and the “operating name” are the same person, the Respondent represented himself as a landlord on the tenancy agreement.
- [53] 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.

B. Has the Tenant established his compensation claims?

- [54] I find that the Tenant has established a claim for a return of rent of \$1,500.00 as well as a claim for double the security deposit, including interest, as determined below, payable by the Landlords and the Respondent, who are jointly and severally liable to the Tenant.
- [55] I find no evidence establishing that the Tenant moved into the Unit or that the Tenant was refunded the first month’s rent or the security deposit paid for the Unit.
- [56] Regarding the Tenant’s \$1,075.00 compensation claim for a “settlement,” I find that the Tenant has provided insufficient evidence to establish this claim. This claim is denied.
- [57] 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.*
- [58] The evidence establishes that on May 29, 2025, the Tenant was informed that he could not move into the Unit. As such, I find that the Landlords and the Respondent (as a landlord), being jointly and severally liable to the Tenant, had until June 13, 2025 (15 days from May 29, 2025) to either return the security deposit or apply with the Rental Office claiming against the security deposit; however, they did neither.

- [59] There are no earlier Rental Office decisions authorizing the Landlords or the Respondent to keep the security deposit. There is no evidence that the parties entered into a written agreement permitting the Landlords or the Respondent to keep the security deposit.
- [60] I find that the Landlords and the Respondent did not comply with the section 40 requirements for keeping a security deposit. Therefore, by operation of law, the Landlords 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

- [61] I find that the Respondent, acting as the Landlords' agent, or a person acting on behalf of the Landlords, entered into a signed tenancy agreement with the Tenant, binding the Landlords and the Tenant.
- [62] I find that the Respondent also represented himself as a landlord on 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 Landlords and the Respondent are jointly and severally liable to the Tenant.
- [63] I find that the Tenant has established claims for a return of rent of \$1,500.00 and for double the security deposit, including interest, totalling \$3,136.68, payable by the Landlords and the Respondent, by the timeline below.
- [64] My calculations are as follows:

Item	Amount
Rent paid	\$1,500.00
Security deposit	\$1,550.00
Interest (May 16, 2025 – April 15, 2026)	\$36.68
Double security deposit	\$1,550.00
Total	\$4,636.68

IT IS THEREFORE ORDERED THAT

1. The Landlords and the Respondent must pay the Tenant \$4,636.68 by June 15, 2026.

DATED at Charlottetown, Prince Edward Island, this 15th day of April, 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.