

INTRODUCTION

- [1] This decision addresses an application filed by the Landlord with the Residential Tenancy Office (the “Rental Office”) under the *Residential Tenancy Act*, cap. R-13.11 (the “Act”).
- [2] The Landlord seeks to keep the Tenants’ security deposit, including interest and additional compensation for outstanding rent, garbage removal, repairs, replacing furniture and cleaning, totaling \$8,686.10.
- [3] The security deposit, including interest totals \$2,445.34.

BACKGROUND

- [4] The Unit is a three-bedroom, two-bathroom upper-level unit in an over-under duplex, which the Landlord manages.
- [5] On December 30, 2024 the Tenants and another tenant entered into a written, one-year fixed-term tenancy agreement with the property owner (the “Owner”). The Tenants paid a \$2,350.00 security deposit.
- [6] On December 16, 2025 the Tenants and the Owner renewed the one-year fixed-term. The other tenant was removed from the renewed tenancy agreement. Rent in the amount of \$2,397.00 was due on the first day of the month. The security deposit carried over to the renewed agreement.
- [7] On March 3, 2026 the Landlord’s representative (the “Representative”) served the Tenants with a *Form 4(A) Eviction Notice* with an effective date of March 23, 2026 for non-payment of rent (the “Notice”).
- [8] On March 25, 2026 the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* with the Rental Office seeking vacant possession of the Unit and rent owing. A copy was posted to the Unit’s front door.
- [9] On April 1, 2026 the Tenants vacated the Unit because of the Notice and the tenancy ended.
- [10] On April 13, 2026 the Representative e-mailed the Tenants and the Rental Office an amended *Form 2(B) Landlord Application to Determine Dispute* seeking to keep the Tenants’ security deposit, including interest, and additional compensation (the “Application”).
- [11] On April 21, 2026 the Rental Office e-mailed the parties notice of a tele-hearing scheduled for May 26, 2026.
- [12] On May 13, 2026 the Rental Office provided the parties a 28-page PDF evidence package.
- [13] On May 26, 2026 neither party participated in the scheduled tele-hearing. After approximately ten-minutes after the scheduled time the tele-hearing was postponed.
- [14] On June 10, 2026 the Rental Office provided the parties an updated notice of a tele-hearing scheduled for June 25, 2026.
- [15] On June 25, 2026 the Representative participated in the tele-hearing. The Tenants did not join the tele-hearing. I called and e-mailed the Tenants and received no response. The tele-hearing proceeded ten minutes after the scheduled time in the Tenants’ absence.
- [16] The Representative e-mailed the Tenants and the Rental Office 8-pages of additional evidence. The Tenants did not respond to the Landlord’s additional evidence.

DISPOSITION

- [17] The Landlord will keep the Tenants' security deposit, including interest.
- [18] The Tenants will pay the Landlord additional compensation of \$3,244.41 by the timeline below.

ISSUE

- A. Has the Landlord established valid claims to keep the Tenants' security deposit, including interest and additional compensation?

ANALYSIS & FINDINGS

- [19] When a party makes an application to the Rental Office, the onus is on that party to support their application with convincing evidence. In this case, the burden of proof lies with the Landlord, as the party advancing the claims. The applicable standard is proof on a balance of probabilities.
- [20] The Landlord seeks to keep the Tenants' security deposit, including interest and additional compensation for outstanding rent, garbage removal, repairs, replacing furniture and cleaning, totaling \$8,686.10, calculated below.

Item	Amount
February 2026 rent	\$846.60
March 2026 rent	\$2,397.00
Garbage removal	\$407.50
Replace washer & dryer	\$1,840.00
Replace two dressers	\$550.00
Replace couch	\$1,330.00
Repair door slab and locks	\$275.00
Cleaning	\$1,040.00
Total	\$8,686.10

- [21] Clause 39(2) of the *Act* provides the cleanliness and damage standard at the end of the tenancy, stating in part, 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...*

- [22] To be successful, the Landlord must establish that the Tenants caused damage beyond reasonable wear and tear; the damage occurred during the Tenants' occupancy; the damage was attributable to the Tenants rather than another cause; and the compensation claimed reasonably flows from that damage.¹ This analysis applies to cleanliness and any other claim put forward by the Landlord.

¹ *Juanita v Harshit Walia aka Harshit Singh Ahluwalia* 2026 PEIRAC 47 para. 26

Outstanding rent

- [23] The Representative stated that the Tenants vacated the Unit on April 1, 2026. The Tenants did not pay March 2026 rent (\$2,397.00) and had outstanding rent from February 2026 (\$846.60).
- [24] The Representative stated that the Tenants' last rent payment was \$1,550.40 via e-Transfer on February 1, 2026.
- [25] The Tenants did not submit any evidence nor participate in the hearing.
- [26] The evidence presented establishes that the Tenants vacated the Unit due to the Notice for non-payment of rent. The Tenants vacated the Unit owing a portion of February 2026 rent and all of March 2026 rent, in the total amount of \$3,243.60 (\$846.60 + \$2,397.00). This claim is established.

Garbage removal

- [27] The Representative stated that the Tenants left a lot off garbage and items in the Unit after the tenancy ended.
- [28] The Landlord submitted into evidence an invoice for \$407.50 for garbage removal and disposal. The Landlord also submitted photographs of the Unit taken at the end of the tenancy showing a lot of garbage and items inside the Unit.
- [29] The evidence presented establishes that the Tenants vacated the Unit leaving a significant amount of garbage, boxes, tires and miscellaneous items inside of the Unit. I find that the Landlord's evidence establishes a \$407.50 cost associated with removing the Tenants' garbage and items from the Unit. This claim is established.

Replacing appliances & furniture

- [30] The Representative stated that a washing machine, dryer, one dresser and one couch was missing from the Unit. Another dresser was significantly damaged and also required replacement.
- [31] The Landlord submitted invoices and receipts into evidence.
- [32] I find that the Landlord has established its claims in part.
- [33] The evidence presented establishes that the washing machine and the dryer was included in the tenancy agreement. The Representative provided direct evidence that during the April 1, 2026 inspection, the washing machine and the dryer were not in the Unit.
- [34] The Representative did not provide any description regarding the condition of the washing machine and the dryer, including the life span of the washing machine and the dryer. The receipt included in the evidence was for \$1,707.73.
- [35] I find that the Tenants are responsible for 75% of this amount, totalling \$1,280.80. This amount is based upon the *betterment* principle.
- [36] The Island Regulatory and Appeals Commission (the "Commission") has previously commented on what it must consider when determining amounts to be awarded to a landlord 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.

- [37] The Landlord also seeks compensation for replacing two dressers and a couch. I find that the Landlord's evidence does not establish these claims. Neither the dressers nor the couch is mentioned in the tenancy agreement as included furniture. Further, I find that there is no evidence such as before or after photographs nor move-in and move-out inspection reports to establish a baseline for the condition of the furniture. Therefore, I find that these claims are denied.

Repairing door slab & replacing locks

- [38] The Representative stated that the Tenants damaged the door slab, which cost \$100.00 to repair. The Representative stated that the Unit's locks needed to be replaced, which cost \$139.00 plus HST.
- [39] The Landlord submitted into evidence a Home Depot receipt for \$275.14.
- [40] I find that there is no evidence such as before or after photographs nor move-in and move-out inspection reports to establish a baseline for the condition of the door slab. I find that there is insufficient evidence to establish that the Tenants caused the damage during the tenancy. This claim is denied.
- [41] The Tenants did not return to the Landlord the Unit's keys. I find that the Landlord has established a valid claim for replacing the locks, in the amount of \$159.85.

Cleaning

- [42] The Representative stated that the Unit was unclean at the end of the tenancy. The Representative stated that it cost \$1,040.00 for three days of deep cleaning. The Landlord submitted into evidence an invoice.
- [43] The evidence presented establishes that the Unit was left below the standard of reasonably clean.
- [44] I find that the Landlord's cleaning claim is established in part. The Landlord hired a deep cleaning service for the Unit after the tenancy ended. The Tenants are not reasonable for the Unit to be in a professionally clean standard.
- [45] I find that the Tenants are responsible for 50% of the total cleaning cost, in the amount of \$520.00 plus HST, totalling \$598.00.

CONCLUSION

- [46] The Landlord has established claims against the Tenants in the total amount of \$5,689.75.
- [47] The Landlord will keep the Tenants' security deposit, including interest, in the amount of \$2,445.34. This amount will offset against the total claim.
- [48] The Tenants will pay the Landlord \$3,244.41 by the timeline below.

IT IS THEREFORE ORDERED THAT

1. The Landlord will keep the Tenants' security deposit, including interest, in the amount of \$2,445.34.
2. The Tenants will pay the Landlord \$3,244.41 by August 24, 2026.

DATED at Charlottetown, Prince Edward Island, this 24th day of July, 2026.

(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.