

INTRODUCTION

- [1] This decision addresses two applications filed by the Landlord and the Tenants 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 and compensation for damage and cleaning, totalling \$3,146.85.
- [3] The Tenants disputed some of the Landlord's compensation claims and seek reimbursement for out-of-pocket expenses, totalling \$243.19.
- [4] The security deposit, including interest, totals \$1,242.80.

BACKGROUND

- [5] On June 1, 2023, the Tenants entered into an oral monthly tenancy agreement with the Landlord. Rent of \$1,236.00 was due on the first day of each month. At the beginning of the tenancy, the Tenants paid the Landlord a \$1,150.00 security deposit.
- [6] On January 31, 2026, the Tenants vacated the Unit, and the tenancy ended by mutual agreement.
- [7] On February 11, 2026, the Landlord e-mailed the Tenants and the Rental Office a *Form 2(B) Landlord Application to Determine Dispute*, claiming the Tenants' security deposit and compensation exceeding the amount of the security deposit (the "Landlord Application").
- [8] On February 14, 2026, the Tenants e-mailed the Landlord and the Rental Office a *Form 2(A) Tenant Application to Determine Dispute*, seeking the return of the security deposit and compensation (the "Tenant Application"). The Tenant Application was filed on February 17, 2026.
- [9] On June 29, 2026, the Rental Office e-mailed the parties notice of a tele-hearing scheduled for August 13, 2026.
- [10] On July 23, 2026, the Rental Office provided the parties with a 54-page PDF and one-video as part of the evidence package.
- [11] On August 13, 2026, the Landlord's representative (the "Representative") and one of the Tenants (the "Tenant"), representing the Tenants, participated in the hearing. The parties confirmed that they had received the evidence package and that it included all evidence submitted to the Rental Office.
- [12] The Tenant was permitted to submit additional evidence at the hearing. The Tenant e-mailed the Landlord and the Rental Office eight pages of additional evidence.

DISPOSITION

- [13] The Landlord's claims are established in part in the amount of \$2,059.00. The Landlord will retain the Tenants' security deposit, including interest, totalling \$1,242.80, to offset the Landlord's established claims.
- [14] The Tenants must pay the Landlord \$816.20 by the timeline below.
- [15] The Tenants' claim is denied.

ISSUES

- A. Has the Landlord established valid claims against the Tenants to keep the security deposit and additional compensation?
- B. Has the Tenant established a valid claim against the Landlord for compensation?

ANALYSIS & FINDINGS

- [16] 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 both the Landlord and the Tenants, as the parties advancing their claims. The applicable standard is proof on a balance of probabilities.

Issue A. The Landlord's financial claims

- [17] The Landlord's total financial claim against the Tenants is \$3,146.85, as set out below.

Item	Amount
Master window repairs	\$412.85
Replace storage door	\$425.00
Fix holes in walls	\$175.00
Remove mirror from wall	\$75.00
Replace counter tops	\$1,784.00
Cleaning	\$275.00
Total	\$3,146.85

- [18] Clause 39 (2)(a) of the Act provides the cleanliness and damage standard at the end of the 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...*

- [19] 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
- [20] The Landlord's evidence included photographs and a video.
- [21] The Tenants' evidence included a written submission and additional evidence of a receipt and text-messages.

Master window repairs, replace storage door, holes in walls and removal of mirror

- [22] The Representative stated that at the end of the tenancy he asked the Tenants to participate in a move-out inspection, however, the Tenants did not join. The Representative stated that he completed the move-out inspection alone and took the photographs submitted into evidence. No "move-in" or "move-out" inspection report was completed.

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

- [23] The Representative stated that the cost of the damage is listed on the Application and was completed by the Landlord's staff.
- [24] The Tenant stated that they initially moved into the Unit under a subletting agreement. The Tenant stated that some of the damage alleged by the Landlord was pre-existing and caused by the former tenant.
- [25] The Tenant stated that the broken window, storage door, holes in the walls and the mirror were pre-existing and were not damaged by the Tenants. The Tenant stated that these items were already damaged or present when the Tenants moved into the Unit under the subletting agreement.
- [26] All tenancy agreements commencing on or after April 8, 2023 require a pre-tenancy and post-tenancy inspection report (*Form 5 – Landlord Condition Inspection Report*) to be completed. This is set out in sections 18 and 38 of the *Act*. However, the Representative confirmed that such reports were not completed.
- [27] The Island Regulatory and Appeals Commission (the "Commission") in Order LR26-11 has commented on the significant weight it places on the statutory requirements under sections 18 and 38 of the *Act*, which mandate the completion of both pre-tenancy and post-tenancy inspection reports, stating:

*"The absence of inspection reports significantly limits or undermines the ability to determine the baseline condition of the Rental Unit at move-in and to demonstrate any material change at the end of the tenancy."*²

- [28] These provisions are not merely procedural; they are safeguards intended to create an objective record of the condition of a rental unit at both the beginning and end of a tenancy.
- [29] I find that the Tenant denied causing the damage to the window, door and walls, and stated that it was "*pre-existing*." The Tenant admitted to some of the Landlord's other claims. I find that these admissions enhance the Tenant's credibility.
- [30] The Landlord has the onus of proving its claims against the Tenants. I find that the Representative's evidence consists only of his statement that he did not witness the damaged items in June 2023 and the photographs and video showing the damaged items at the end of the tenancy.
- [31] Therefore, I find that the Landlord's evidence is insufficient to establish that the Tenants caused the damage.
- [32] I find that that the Landlord did not submit any invoices or receipts for the cost associated with the damage. In Order LR26-11, the Commission commented on this issue, stating:

*"Furthermore, neither the Landlord nor the Representative provided documentary evidence such as invoices or written estimates to substantiate the repair costs. The Landlord must provide sufficiently reliable evidence of the cost of repairing any proven damage. Mere assertions or estimates, without corroborating documentation, will generally be considered insufficient."*³

- [33] Therefore, I find that these claims are denied.

² *Shi Xia Xing v. Noor Fatima*, 2026 PEIRAC 16 para. 32.

³ *Ibid.*, para. 36.

Replace countertops and cleaning

- [34] The Tenant did not dispute causing the damage to the countertops or the unclean condition of the Unit at the end of the tenancy.
- [35] The Representative stated that the countertops were four-years-old and needed to be repaired due to the damage, which totaled \$1,784.00 for materials.
- [36] The Representative stated that two cleaners were hired at \$35/hr. to clean the Unit, totalling \$275.00.
- [37] I find that the Tenants' admission that they damaged the Unit's countertop and left it unclean at the end of the tenancy establishes the Landlord's claims. Although the Landlord did not provide invoices or receipts for the countertop repairs or cleaning, the Tenants did not dispute the amounts claimed. I therefore accept the Landlord's claimed amounts.
- [38] The Tenants' admission, combined with their failure to dispute the Landlord's claimed amounts, provide sufficient evidence to establish the claims on a balance of probabilities.
- [39] I find that \$1,784.00 for materials to replace a four-year-old counter top and \$275.00 for two cleaners are reasonable in this case, based on the photographs showing the condition Unit at the end of the tenancy.
- [40] Therefore, I find that these claims are allowed.

Issue B. The Tenants' financial claims

- [41] The Tenants are seeking \$243.19 for out-of-pocket expenses for repairing a master bedroom cupboard.
- [42] For the reasons below, I find that the Tenants have not provided sufficient evidence to establish their claim.
- [43] The Tenants submitted additional evidence, including text messages and a \$92.22 receipt for tools.
- [44] The Tenant stated that he reported the repair issues to the Representative and that the Representative did not complete the repairs. The Tenant stated that he completed some minor repairs himself.
- [45] The Tenant stated that he could not find the other receipts to submit them into evidence.
- [46] The Representative stated that he completed repairs at the Tenants' request. For example, the Representative stated that he replaced the hot water tank in the Unit in 2024.
- [47] I find that the Tenants' evidence does not establish that the Landlord failed to repair and maintain the Unit. Further, the evidence does not support the Tenants' claim for \$243.19. The Tenants submitted only one receipt, for \$92.22, which includes purchases of tools. I find that the Tenants' evidence does not establish that the purchase of the tools was necessary or resulted from the Landlord's breach of the *Act*.
- [48] Therefore, I find that this claim is denied.

CONCLUSION

- [49] The Landlord Application is allowed in part.

- [50] The Tenant Application is denied.
- [51] The Landlord has established a claim in the amount of \$2,059.00.
- [52] The Landlord will retain the Tenants' security deposit, including interest, totalling \$1,242.80, to offset the Landlord's established claims.
- [53] The Tenants must pay the Landlord \$816.20 by the timeline below.
- [54] My calculations are as follows:

Item	Amount
Damage claim	\$1,784.00
Cleaning claim	\$275.00
less security deposit	-\$1,150.00
less interest (01 JUN 23 to 03 SEP 26)	-\$92.80
Total	\$816.20

IT IS THEREFORE ORDERED THAT

1. The Landlord will keep the Tenants' security deposit, including interest, totalling \$1,242.80.
2. The Tenants must pay the Landlord \$816.20 by October 5, 2026.

DATED at Charlottetown, Prince Edward Island, this 3rd day of September, 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.