INTRODUCTION

[1] This decision addresses two applications filed with the Residential Tenancy Office (the "Rental Office") under the *Residential Tenancy Act* (the "Act").

[2] The Tenant seeks a return of part of the June 2026 rent payment and a return of double the security deposit.

[3] The Landlord seeks to keep the security deposit for rent owing.

BACKGROUND

[4] The Unit is an apartment suite in the downstairs portion of a house (the "Residential Property") owned by the Landlord. The Landlord lives in the upstairs portion of the Residential Property.

[5] On June 1, 2025, the parties entered into an oral month-to-month tenancy agreement. The Tenant paid a $1,200.00 security deposit at the beginning of the tenancy. Rent was $1,200.00 due on the first day of the month.

[6] On June 12, 2026, the Tenant moved out of the Unit. The parties dispute the tenancy end date.

[7] On June 30, 2026, the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* seeking a return of part of the June 2026 rent payment and double the security deposit (the "Tenant Application").

[8] On August 7, 2026, the Rental Office emailed the parties notice of a tele-hearing scheduled for September 15, 2026.

[9] On August 28, 2026, the Rental Office emailed the parties a 120-page PDF evidence package.

[10] On September 11, 2026, at the Landlord's request, the September 15, 2026, tele-hearing was postponed.

[11] On September 15, 2026, the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* seeking to keep the security deposit for rent owing (the "Landlord Application").

[12] On September 15, 2026, the Landlord emailed supplementary evidence to the Rental Office and the Tenant.

[13] On September 23, 2026, the Rental Office emailed the parties notice of a rescheduled tele-hearing for October 29, 2026.

[14] On October 9, 2026, the Tenant emailed supplementary evidence to the Rental Office and the Landlord.

[15] On October 29, 2026, the Tenant, the Landlord, and the Landlord's witness participated in the tele-hearing. The parties confirmed receipt of all submitted evidence and stated that no evidence was missing from the record.

DISPOSITION

[16] The Tenant's claims are established.

[17] The Landlord must return 18 days of the June 2026 rent payment, in the amount of $720.00.

[18] The Landlord must return the security deposit, including interest, and compensate the Tenant with double the security deposit under subsection 40(4).

[19] The Landlord must pay the Tenant the total amount of $3,165.98 by the timeline below.

[20] The Landlord's claim is denied.

ISSUES

A. Must the Landlord return part of the June 2026 rent payment?

B. Must the Landlord return the security deposit, including interest, and compensate the Tenant under subsection 40(4) with double the security deposit?

EVIDENCE

The Tenant's evidence and submissions

[21] The Tenant stated that on June 2, 2026, the Landlord told him that she intended to increase the rent by $200.00. The Tenant advised the Landlord that increasing the rent by $200.00 was not lawful. The Landlord later stated that she would only raise the rent by $24.00.

[22] The Tenant stated that on June 10, 2026, he notified the Landlord that he was vacating on June 30, 2026. He stated that he decided to move out because the parties could not reach a resolution regarding the proposed rent increase.

[23] On June 10, 2026, the Tenant asked for the return of the security deposit, but the Landlord did not agree to return it. The Landlord messaged the Tenant stating, in part, "*Now your threatening me? I think its best you get your stuff packed up and out as soon as possible."* The Tenant stated that he moved out of the Unit on June 12, 2026, because the Landlord told him to leave and he did not want any further trouble.

[24] The Tenant stated that the tenancy should have ended on June 12, 2026, and that he is seeking a refund of the June 2026 rent payment for June 13 to June 30, 2026. He is also seeking a return of double the security deposit because the Landlord did not return it to him.

The Landlord's evidence and submissions

[25] The Landlord stated that she was seeking to keep the security deposit for rent owing for July 2026, because the Tenant did not provide proper notice to end the tenancy agreement. She also disputed that she should have to return any of the June 2026 rent payment.

[26] The Landlord stated that the parties could not agree on a rent increase amount. On June 10, 2026, the Tenant provided notice that he was moving out on June 30, 2026. The Tenant then moved out on June 12, 2026.

[27] The Landlord stated she did not feel safe with the Tenant living in the Unit, but disputed that she told the Tenant he had to move out right away. The Landlord stated she only wanted the Tenant to leave the Unit for a short time so she could take photographs of the Unit for advertising purposes.

[28] The Landlord stated she advertised the Unit for rent after the Tenant moved out, but she could not re-rent the Unit. She took the Unit off the market sometime in July 2026 and has not tried to re-rent it since then.

ANALYSIS & FINDINGS

A. Must the Landlord return part of the June 2026 rent payment?

[29] Subsection 55(2) of the Act sets out a tenant's notice requirements when ending a monthly tenancy, stating:

> *(2) 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.*

[30] The evidence establishes that the tenancy was month-to-month, which means that under subsection 55(2) the Tenant had to give at least one month's notice, with the end date being the day before rent is due under the tenancy agreement. Rent was due on the first day of the month.

[31] I find that the evidence establishes that the landlord-tenant relationship between the parties began deteriorating around June 2, 2026, after the Landlord proposed increasing the Unit's rent. The dispute escalated to the point that, on June 10, 2026, the Tenant provided notice that he would vacate on June 30, 2026. I find that this was improper notice to end the tenancy under section 55(2). The Tenant's notice would not have ended the tenancy until July 31, 2026.

[32] However, I find that the evidence also establishes that on June 10, 2026, after the Tenant provided his notice, the Landlord messaged the Tenant, "*I think its best you get your stuff packed up and out as soon as possible.*" The Tenant replied that he was cleaning the Unit and would move out.

[33] In Order LR25-44, the *Island Regulatory and Appeals Commission* (the "Commission") commented on a similar matter. The Commission stated:

> *31. With respect to the Landlord's assertion that the Tenant failed to give sufficient notice and therefore a monetary claim should be awarded, the Commission notes that the Landlord had previously sought to evict the Tenant at the earliest opportunity, leading to a previous application and determination by the Rental Office in Order LD24-405. The Commission agrees with the Rental Office that the evidence was clear that the Landlord wanted the Tenant to move out as soon as possible, including a WeChat request made by the Landlord on February 18, 2025, and therefore no award in lieu of notice will be made given that the Tenant moved out three days later. If a landlord demands a tenant leave and the tenant does leave, the landlord cannot argue that the tenant owes compensation for lack of notice.*

[34] I find that the Tenant complied with the Landlord's request to "*get your stuff packed up and out as soon as possible*" and the Tenant vacated the Unit on June 12, 2026. As such, I find that the tenancy between the parties ended on June 12, 2026, under subsection 51(3) of the Act, which states:

> *A landlord and a tenant may make a written agreement, other than a tenancy agreement, to end a tenancy.*

[35] Therefore, I find that the Tenant is not responsible for rent after June 12, 2026. The Landlord's July 2026 rent owing claim is denied.

[36] I find that the Landlord must return 18 days of the June 2026 rent payment from June 13 to June 30, 2026, in the amount of $720.00 ($1,200.00 ÷ 30 days) × 18 days.

B. Must the Landlord return the security deposit, including interest, and compensate the Tenant under subsection 40(4) with double the security deposit?

[37] Section 40 of the Act provides the rules for keeping and returning security deposits, stating as follows:

> *(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.*

[38] Based on the evidence, I find that the tenancy ended on June 12, 2026. The Landlord then had until June 29, 2026 (because the Rental Office was closed on June 27 and June 28, 2026), to either return the security deposit, plus interest, or file an application with the Rental Office. The evidence establishes that the Landlord did not file the Landlord Application until September 15, 2026.

[39] In the alternative, if I were to find that the tenancy ended on July 31, 2026, as the Landlord argued, the Landlord would have had to file the Landlord Application by August 20, 2026, but she did not.

[40] There is no evidence that the Tenant agreed in writing to let the Landlord keep the security deposit. There is no evidence of any previous Rental Office Order permitting the Landlord to keep the security deposit.

[41] I find that the Landlord did not comply with section 40 of the Act regarding the security deposit. Therefore, by operation of law, the Landlord must not make a claim against the security deposit. The Landlord must return the security deposit, including interest, and compensate the Tenant with double that amount under subsection 40(4).

CONCLUSION

[42] The Landlord must return 18 days of the June 2026 rent payment from June 13 to June 30, 2026, in the amount of $720.00.

[43] The Landlord must return the security deposit, including interest, and compensate the Tenant with double the security deposit under subsection 40(4).

[44] The Landlord must pay the Tenant the total amount of $3,165.98 by the timeline below.

[45] The Tenant Application is allowed.

[46] The Landlord Application is denied.

[47] My calculations are as follows:

Item	Amount
June 2026 rent (18 days)	$720.00
Security deposit	$1,200.00
Interest (June 1/25 – November 10/26)	$45.98
Double security deposit	$1,200.00
Total payable	**$3,165.98**

IT IS THEREFORE ORDERED THAT

1. The Landlord must pay the Tenant $3,165.98 by December 10, 2026.

DATED at Charlottetown, Prince Edward Island, this 10th day of November, 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.