



**Docket: LR21035**

**Order: LR21-38**

**IN THE MATTER** of an appeal under section 25 of the *Rental of Residential Property Act* (the "Act") filed by Yu Xia Zhong, against Order LD21-286 issued by the Director of Residential Rental Property and dated July 30, 2021.

**BEFORE THE COMMISSION ON** Monday,  
September 20, 2021.

Panel Chair - Erin T. Mitchell, Commissioner  
M. Douglas Clow, Vice-Chair

Hearing Date: Wednesday, September 15, 2021

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# ORDER

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(Sgd.) Susan Jefferson

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Commission Administrator  
Corporate Services and Appeals

This appeal asks whether a landlord is permitted to retain all, or a portion, of a lessee's security deposit.

## **BACKGROUND**

A landlord, Yu Xia Zhong ("Ms. Zhong") rented premises located at 37 Chelsey Circle, Charlottetown, PE (the "Premises"), to Navrosepreet Kaur ("Ms. Kaur") commencing on April 21, 2021. Rent was \$750 per month due on the first day of the month. A security deposit in the amount of \$500 was required and paid.

Ms. Kaur vacated the Premises on May 31, 2021.

On June 21, 2021, Ms. Kaur filed with the Director of Residential Rental Property (the "Director") an Application for Enforcement of Statutory or Other Conditions of Rental Agreement (Form 2) requesting a finding that the security deposit, or part thereof, should be forfeited or returned.

On June 22, 2021, the Director wrote to Ms. Zhong requesting that she complete a Notice of Intention to Retain Security Deposit (Form 8) and forward the security deposit, plus accrued interest, in the amount of \$500.14 to the Director. Ms. Zhong did not provide the Director with a Form 8 and did not forward the security deposit funds to the Office of the Director.

In Order LD21-286, the Director ordered that Ms. Zhong pay to Ms. Kaur the sum of \$420.79 on or before August 30, 2021, and retain the balance of the security deposit in the amount of \$79.35.

Ms. Zhong appealed.

The Commission heard the appeal on September 15, 2021. Ms. Zhong and her representative Brian Basso ("Mr. Basso") appeared by way of telephone conference call. Although fully apprised of the date, time and method of participation, Ms. Kaur did not appear on the telephone conference call.

## **Disposition**

The appeal is denied and Director's Order LD21-286 is confirmed.

## **The Issue**

Did the Director err in finding that the security deposit be distributed between the parties?

## **Analysis**

Ms. Zhong and Mr. Basso provided testimony to the Commission and referred to documents that were previously considered by the Director. There was no new evidence presented to the Commission which would warrant disturbing the findings of the Director in Order LD21- 286.

**NOW THEREFORE**, pursuant to the *Island Regulatory and Appeals Commission Act* and the *Rental of Residential Property Act*,

**IT IS ORDERED THAT:**

1. **The appeal is denied.**
2. **Director’s Order LD21-286 is confirmed.**

**DATED** at Charlottetown, Prince Edward Island, Monday, September 20, 2021.

**BY THE COMMISSION:**

**(sgd. Erin T. Mitchell)**

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Erin T. Mitchell, Commissioner

**(sgd. M. Douglas Clow)**

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M. Douglas Clow, Vice-Chair

**NOTICE**

Subsections 26(2), 26(3), 26(4) and 26(5) of the *Rental of Residential Property Act* provide as follows:

*26.(2) A lessor or lessee may, within fifteen days of the decision of the Commission, appeal to the court on a question of law only.*

*(3) The rules of court governing appeals apply to an appeal under subsection (2).*

*(4) Where the Commission has confirmed, reversed or varied an order of the Director and no appeal has been taken within the time specified in subsection (2), the lessor or lessee may file the order in the court.*

*(5) Where an order is filed pursuant to subsection (4), it may be enforced as if it were an order of the court.*