



PRINCE EDWARD ISLAND

Regulatory & Appeals Commission

Commission de réglementation et d'appels

ÎLE-DU-PRINCE-ÉDOUARD

**Date Issued: May 15, 2026**

**Dockets: LR26019**

**Type: Rental Appeal**

INDEXED AS: Peace Property Management Company Ltd. v. Amel Kareen Lopez and Marvin Lopez

2026 PEIRAC 24 (CanLII)

Order No: LR26-19

**BETWEEN:**

Peace Property Management Company Ltd. (the "Landlord")

**Appellant**

**AND:**

Amel Kareen Lopez and Marvin Lopez (the "Tenants")

**Respondents**

---

## ORDER

---

Panel Members:

Pamela J. Williams, K.C., Chair  
Kerri Carpenter, Vice Chair

Compared and Certified a True Copy

(Sgd.) Michelle Walsh-Doucette

---

Commission Clerk

Island Regulatory and Appeals Commission

## **A. INTRODUCTION**

1. This appeal was heard by the Commission on April 29, 2026, and asks the Commission to determine whether the Residential Tenancy Office (the “Rental Office”) erred in finding that the Landlord must pay the Tenants the security deposit balance of \$1,465.01 by April 24, 2026.

## **B. BACKGROUND**

2. This appeal concerns a rental unit located at 104 – 16 Elena Court, Charlottetown, PEI (the “Rental Unit”).
3. The Rental Unit is a two-bedroom, two-bathroom unit in a 36-unit building (the “Residential Property”) that the Landlord has owned since it was built in August of 2020.
4. The Landlord and the Tenants signed a first written, fixed-term tenancy agreement from June 1, 2023 to the end of May 2024. A security deposit of \$1,750.00 was paid before the Tenants moved into the Rental Unit.
5. The Landlord and the Tenants signed a second written, fixed-term tenancy agreement from June 1, 2024 to May 30, 2025 (the “Tenancy Agreement”). Rent in the amount of \$1,800.00 was due on the first day of the month.
6. The parties disagree whether the tenancy agreement’s term was fixed or monthly from June 1, 2025 onwards.
7. On August 20, 2025 the Tenants emailed the Landlord notice that they would vacate the Rental Unit by September 30, 2025
8. The Tenants vacated the Rental Unit on September 30, 2025.
9. On October 14, 2025 the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* (the “Application”) with the Rental Office seeking to keep the security deposit plus additional compensation.
10. On March 12, 2026 the Landlord’s representative, the Landlord’s witness and the Tenants attended the teleconference hearing before the Rental Office for determination of the Application.
11. On March 24, 2026, the Rental Office issued Order LD26-099 which ordered that the Landlord must pay the Tenants the security deposit balance of \$1,465.01 by April 24, 2026.
12. The Landlord appealed Order LD26-099 on April 9, 2026.
13. The Commission heard the appeal on April 29, 2026, by way of telephone conference. The Appellant, Peace Property Management Company Ltd. was represented by Thi (Sunny) Tuyet Tran at the telephone hearing. The Tenants, Amel Kareen Lopez and Marvin Lopez, attended the telephone hearing on their own behalf.

14. The applicable legislation is the *Residential Tenancy Act*, cap. R-13.11 (the “Act”).

### **C. DISPOSITION**

15. The appeal is allowed in part. The Landlord is entitled to keep 50% of pro-rated rent from October 1 to October 8, 2025 plus \$400.00 from the Tenant’s security deposit.

### **D. ISSUES**

16. Do the Tenants owe the Landlord rent for all or part of October 2025 and any additional compensation for cleaning and repairs of the Rental Unit?

### **E. SUMMARY OF EVIDENCE**

#### Landlord’s Evidence

17. The Landlord is seeking to retain the Tenants’ security deposit of \$1,750.00 together with additional compensation for cleaning and repair costs arising from the condition in which the Rental Unit was allegedly left at the conclusion of the tenancy.

18. The Landlord submits that the unclean and damaged condition of the Rental Unit at the end of the tenancy impaired their ability to market and show the Rental Unit to prospective tenants prior to October 9, 2025, resulting in one full month’s lost rental income. Due to these circumstances, new tenants were unable to move in until November 1, 2025.

19. The Landlord also submits that the Rental Unit required additional cleaning and repairs beyond what is considered “ordinary” to restore it to move-in-ready condition, at a cost of \$400.00, which the Tenants had previously agreed to pay.

20. The Landlord also argues that the Tenants failed to cooperate with efforts to show the Rental Unit during September 2025. According to the Landlord, delayed, inconsistent, or absent responses to their communications regarding prospective showings impacted their ability to secure a replacement tenant in a timely manner, causing the loss of a full month’s rent.

#### Tenants’ Evidence

21. The Tenants submit that a cockroach infestation and the resulting pest-control treatments conducted by the Landlord during August and September 2025 significantly disrupted their occupancy and contributed to the condition of the Rental Unit at the end of the tenancy.

22. The Tenants also state that they were travelling internationally during a period of time in September 2025, were busy with family obligations and had limited internet access, which affected their ability to respond promptly to communications from the Landlord concerning prospective showings.

23. The Tenants further submit that the Landlord was entitled under the *Act* to enter the Rental Unit for the purpose of conducting showings and did not require the Tenants’ consent to do so.

24. The Tenants acknowledge that the Rental Unit was untidy during and following the moving process. The Tenants submit this was due in part to the fact that items had to be removed from cupboards in connection with the pest-control treatments. However, they maintain that the Rental Unit was cleaned prior to the final inspection and that they made reasonable efforts in this regard.
25. The Tenants acknowledge they agreed the Landlord could retain \$400.00 from their security deposit to address cleaning and repair costs that they were unable to complete prior to vacating the Rental Unit due to time constraints.
26. The Tenants submit that they are a family of five living in a small space and accordingly some regular wear and tear occurred to the Rental Unit during their tenancy.

## **F. ANALYSIS**

27. The Commission agrees with the Rental Office's determination that, pursuant to section 52(1) of the *Act*, the tenancy continued on a month-to-month basis after June 1, 2025. No persuasive evidence established that the parties entered into a further fixed-term tenancy agreement after that date.
28. The Commission further agrees that the Tenants' written notice dated August 20, 2025 complied with section 55(2) of the *Act*, which provides:

*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 agreement.*
29. Despite some lack of clarity surrounding the precise timing of the return of the keys and the Tenants' departure from the Rental Unit, the Commission finds that the tenancy terminated on September 30, 2025. However, the evidence also establishes that the Tenants retained possession of the keys until October 8, 2025.
30. The Commission accepts the uncontested evidence of the parties that the Tenants previously agreed that the Landlord could retain \$400.00 from their security deposit as compensation for outstanding cleaning and repair costs. The Commission therefore finds that the Landlord is entitled to keep that amount.
31. The Commission accepts that the Rental Unit required additional cleaning, repairs and general preparation before it could reasonably be marketed to prospective tenants. However, the Commission is not satisfied on the evidence that the condition of the Rental Unit was so excessive or extraordinary as to justify compensation equivalent to an entire month's rent.
32. In residential tenancies, a reasonable degree of turnover preparation between occupants is expected. Ordinary cleaning, repainting, maintenance, and minor repairs are incidents of property management and do not automatically give rise to compensable damages

absent persuasive evidence that the tenants caused unreasonable delay or significant loss.

33. The Commission finds that, while the condition of the Rental Unit at the conclusion of the tenancy was not ideal, it was consistent with the circumstances described by the Tenants, including the earlier infestation of cockroaches and follow-up pest-control treatments, their intervening travel, time constraints and the ordinary disruptions associated with a move-out process.
34. The remaining issue is whether the Landlord established entitlement to compensation for loss of rental income beyond the agreed cleaning and repair costs.
35. The Landlord is seeking compensation equivalent to the full rent for October 2025.
36. However, the Commission is not satisfied that the Landlord has established entitlement to lost rental income for the entire month or that the Tenants' conduct caused such loss.
37. While the Landlord asserted that prospective showings could not reasonably occur prior to October 9, 2025, the evidence does not establish that the Tenants' conduct alone caused the inability to re-rent the Rental Unit for the entirety of October 2025. The evidence before the Commission does not demonstrate reasonable efforts to mitigate the alleged loss, nor does it establish that a replacement tenancy would likely have commenced earlier but for the Tenants' actions or inactions.
38. However, as stated above, the evidence does establish that the Tenants retained possession of the keys to the Rental Unit until October 8, 2025. Although the tenancy itself terminated effective September 30, 2025, retention of the keys to the Rental Unit interfered with the Landlord's ability to resume full possession and control of the Rental Unit during that period.
39. In the circumstances, it is reasonable to award the Landlord partial compensation for loss of use during the period of October 1-8, 2025.
40. At the same time, the Commission is not satisfied that full daily rent should be awarded for those dates. The evidence establishes that the Rental Unit still required some cleaning and preparation work during the same period and may not have been immediately suitable for occupancy by new tenants. The Commission therefore finds that compensation equivalent to 50% of the daily pro-rated rental value for the eight-day period from October 1-8, 2025 fairly balances the parties' respective rights, obligations, and the practical realities of the circumstances.

## **G. CONCLUSION**

41. The appeal is allowed in part. The Landlord is entitled to retain \$400.00 from the security deposit for previously agreed upon cleaning and repair costs along with compensation equivalent to 50% of the daily pro-rated rental value for the period October 1 to October 8, 2025 inclusive. Based on a monthly rent of \$1,800.00, the Landlord shall return the balance of the security deposit to the Tenants in the amount of \$1,238.06, together with any applicable interest required under the *Act*, calculated as follows:

Security Deposit Balance	\$1,350.00
Interest on full security deposit of \$1,750.00 (May 31, 2023 to October 7, 2025)	98.71
Interest on \$1,350.00 October 8, 2025 to dated of Order	21.59
LESS: 50% of prorated rent for 8 days (\$58.06 per diem).	(\$232.24)
Amount to Tenant	\$1,238.06

**IT IS ORDERED THAT**

1. The Landlord shall return to the Tenants the balance of the security deposit, together with applicable statutory interest, in the amount of \$1,238.06 on or before May 25, 2026.

**DATED** at Charlottetown, Prince Edward Island, 15<sup>th</sup> day of May, 2026.

**BY THE COMMISSION:**

[sgd. Pamela J. Williams, K.C.]  
Pamela J. Williams, K.C.

[sgd. Kerri Carpenter]  
Kerri Carpenter

**NOTICE**

Subsections 89 (9), (10) and (11) of the *Residential Tenancy Act* provides as follows:

89. (9) A landlord or tenant may, within 15 days of the decision of the Commission, appeal to the Court of Appeal in accordance with the *Island Regulatory and*

*Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11,  
on a question of law only.

(10) Where the Commission has confirmed, reversed or varied an order of the Director, the landlord or tenant may file the order with the Supreme Court.

(11) Where an order is filed under subsection (10), it may be enforced as if it were an order of the Supreme Court.