PRINCE EDWARD ISLAND
Regulatory & Appeals Commission
Commission de réglementation et d'appels
ÎLE-DU-PRINCE-ÉDOUARD

Date Issued: **September 10, 2026**
Dockets: **LR26040**
Type: **Rental Appeal**

INDEXED AS: Dima Mreesh and Wisam Abou Assali v. Ahmed Ali and others

2026 PEIRAC 55 (CanLII)

Order No: LR26-43

BETWEEN:

Dima Mreesh and Wisam Abou Assali (the "Landlords")

Appellants

AND:

Ahmed Ali, Abdel Rahman, Eyad Mansour,
Mazen Mansour and Haseeb Al Mamum (the "Tenants")

Respondents

ORDER

Panel Members: Gordon MacFarlane, Commissioner
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 July 14, 2026, and asks the Commission to determine whether the Residential Tenancy Office (the "Rental Office") erred in finding that the Landlords must pay the Tenants $3,804.22 by July 3, 2026.

B. BACKGROUND

2. This appeal concerns a rental unit located at 61 Mount Edward Road, Charlottetown, PEI (the "Rental Unit").

3. The Rental Unit is a house owned by the Landlords.

4. On August 19, 2023, the parties entered into a written fixed-term tenancy agreement for the Rental Unit, effective from September 1, 2023, to August 29, 2024. On September 29, 2024, the parties renewed the fixed-term tenancy agreement from September 1, 2024, to August 31, 2025. Rent of $2,800.00 was due on the first day of the month. A $2,800.00 security deposit was paid on August 19, 2023.

5. On August 31, 2025, the Tenants moved out of the Rental Unit.

6. On November 12, 2025, the Tenants filed a *Form 2(A) Tenant Application to Determine Dispute* (the "Tenant Application") with the Rental Office seeking the return of the security deposit and compensation of double the security deposit.

7. On November 21, 2025, the Landlords filed a *Form 2(B) Landlords Application to Determine Dispute* (the "Landlords Application") with the Rental Office seeking compensation for rent owing, oil expenses, and repairs. The Landlords are also seeking to keep the security deposit as part of their claims.

8. On March 19, 2026, the Rental Office sent the parties notice of a tele-hearing scheduled for April 30, 2026.

9. On April 30, 2026, the Landlords and one Tenant, representing all five Tenants, joined the tele-hearing before the Rental Office.

10. On June 3, 2026, the Rental Office issued order LD26-181 which ordered that the Landlords must pay the Tenants $3,804.22 by July 3, 2026.

11. The Landlords appealed Order LD26-181 on June 23, 2026.

12. The Commission heard the appeal on July 14, 2026, by way of telephone conference. Dima Mreesh attended the telephone conference on behalf of the Landlords. Ahmed Ali attended the telephone conference on behalf of the Tenants.

13. The applicable legislation is the *Residential Tenancy Act*, cap. R-13.11 (the "*Act*").

C. DISPOSITION

14. The Appeal is allowed in part. The Commission finds that the Landlords are entitled to $2,800.00 in compensation from the Tenants for September 2025 rent. In all other respects, the Rental Office Order is confirmed.

D. ISSUES

15. Did the Tenants provide sufficient notice to the Landlords to terminate the tenancy effective August 31, 2025, or must the Tenants pay for some or all of the rent owing for September 2025?

16. Are the Tenants entitled to retain the remedy of double the security deposit?

17. Are the Landlords entitled to compensation for oil and repair expenses?

E. SUMMARY OF EVIDENCE

Landlords Submissions & Evidence

18. The Landlords have appealed Order LD-181 and request that it be amended to award them compensation for September 2025 rent in the amount of $2,800.00.

19. The Landlords are seeking compensation for rent owing for September 2025 due to improper notice.

20. The Landlords submit that the Tenants provided them notice on August 29, 2025 that they would be moving out of the Rental Unit on August 31, 2025.

21. The Landlords submit that they appropriately mitigated their losses. They state that they attempted to re-rent the Rental Unit through Facebook and also explored selling the Rental Unit after the Tenants moved out on short notice. The Landlords submit that they pursued both options in an effort to reduce the financial loss resulting from the Tenants' insufficient notice.

22. The Landlords argue they had no realistic opportunity to secure replacement tenants for September 2025, and they suffered a rental loss due to the Tenants' insufficient notice.

23. The Landlords submit that the Rental Unit was ultimately rented in February 2026 at $2,200.00 per month.

24. The Landlords request that the Rental Office's Order with regard to oil and repair expenses be confirmed.

Tenants' Submissions & Evidence

25. The Tenants dispute that they provided improper notice to end the tenancy.

26. The Tenants submit that the tenancy agreement identified August 31, 2025, as the end of the tenancy and that they notified the Landlords on August 29, 2025, that they would not be renewing the tenancy agreement.

27. The Tenants submit that the Landlords chose to try to sell and not re-rent the Rental Unit and therefore, rent is not owing by them for September 2025.

28. The Tenants submit that the Landlords failed to return the security deposit or file an application within the 15-day timeline prescribed by the *Act*. They request that the Rental Office's finding regarding double the security deposit under subsection 40(4) of the *Act* be upheld.

29. The Tenants also submit that the Landlords ultimately advertised the Rental Unit for $2,200.00 per month rather than $2,800.00 per month and, therefore, should not be entitled to compensation based on the higher amount.

30. The Tenants challenge the admissibility of new evidence provided by the Landlords regarding their attempts to rent the Rental Unit.

F. ANALYSIS

Rent

31. The Commission must determine whether the Tenants properly terminated the tenancy effective August 31, 2025 and, if not, whether the Landlords are entitled to compensation for the resulting rental loss for September 2025.

32. Subsection 55(3) of the *Act* states:

> *(3) A tenant may end a fixed-term tenancy by giving the Landlords a notice of termination effective on a date that*
> *(a) is not earlier than one month after the date the Landlords receives the notice;*
> *(b) is not earlier than the date specified in the tenancy agreement as the end of the tenancy; and*
> *(c) is the day before the day that rent is payable under the tenancy agreement.*

33. The evidence establishes that the Tenants notified the Landlords on August 29, 2025, that they would vacate the Rental Unit on August 31, 2025. The Commission finds that two days' notice does not satisfy the notice requirements in subsection 55(3) of the *Act*.

34. The Commission finds that, although the tenancy agreement identified August 31, 2025, as the end of the fixed term, that contractual end date did not relieve the Tenants of the statutory notice requirement in subsection 55(3) of the *Act*.

35. In the circumstances of this case, the Commission therefore finds that the Tenants' notice of August 29, 2025, was insufficient to terminate the tenancy effective August 31, 2025. The Tenants are liable for the rental loss reasonably attributable to their failure to provide the required notice.

36. The Landlords must nevertheless establish the amount of their actual loss. The obligation for them to mitigate damages remains applicable under section 46 of the *Act.*

37. The Commission does not accept the Tenants' submission that the Landlords were required to accept a replacement tenant immediately or that the Landlords' decision to explore selling the Rental Unit, in addition to attempting to re-rent it, establishes a failure on the Landlords' part to mitigate. The relevant question is whether the Landlords took reasonable steps, in the circumstances, to reduce the rental loss caused by the Tenants' insufficient notice.

38. The Commission finds that the Landlords did not receive sufficient notice to reasonably prepare the Rental Unit for new tenants, advertise the Rental Unit, conduct viewings, and secure replacement tenants before September 1, 2025. The Tenants provided only two days' notice before vacating. The Commission finds that this was an extremely limited period in which to inspect the Rental Unit, address any cleaning or repair requirements, advertise the property, arrange viewings, and secure new tenants.

39. The Commission also notes that the Landlords' ability to show the Rental Unit was subject to the statutory requirement to provide 24 hours' notice of entry while the Tenants remained in possession of the Rental Unit. The short notice provided by the Tenants therefore further restricted the Landlords' ability to prepare and re-rent the Rental Unit before September 1, 2025.

40. The evidence establishes that the Landlords advertised the Rental Unit at $2,800.00 per month after the Tenants vacated and subsequently reduced the asking rent to $2,200.00 in February 2026. The Commission finds that the subsequent reduction in the asking rent does not establish that the Landlords acted unreasonably by maintaining an asking rent of $2,800.00 during the fall of 2025.

41. The Commission is satisfied, on the evidence before it, that the September 2025 rental loss was caused by the Tenants' failure to provide the required notice and that the Landlords took reasonable steps to mitigate that loss.

42. The Commission therefore finds that the Landlords have established an entitlement to compensation for September 2025 rent in the amount of $2,800.00.

<u>Security Deposit</u>

43. The fact that the Landlords have established a separate entitlement to compensation for September 2025 rent does not alter the *Act's* requirements regarding the security deposit.

44. The evidence establishes that the Tenants vacated the Rental Unit on August 31, 2025. The Landlords did not file their application with the Rental Office until November 21, 2025, well outside the 15-day period prescribed by subsection 40(1) of the *Act*. There is no

evidence before the Commission that the Landlords obtained an order permitting them to retain the security deposit, that the Tenants agreed in writing to its retention, or that any other exception in section 40 applies.

45. Subsection 40(4) sets out the consequence of non-compliance. Where a Landlords does not comply with section 40, the Landlords shall not make a claim against the security deposit and shall pay the tenant double the amount of the security deposit.

46. The Commission therefore finds that, notwithstanding the Landlords' entitlement to compensation for September 2025 rent, the Landlords are not entitled to retain the $2,800.00 security deposit as compensation for that rent. The Tenants remain entitled to the statutory remedy of double the security deposit.

47. The Commission further notes that the Tenants did not dispute the oil expenses and repairs awarded by the Rental Office in the amount of $1,987.16. The Commission confirms the Rental Office's award in that amount.

New Evidence

48. The Tenants challenged the admissibility of new evidence provided by the Landlords regarding their efforts to re-rent the Rental Unit. The Commission considered that evidence in determining the appeal. An appeal before the Commission is an appeal by way of a re-hearing and the Commission may receive and accept any evidence in its discretion (per subsection 89(8)). Therefore, the Commission considered the evidence presented at the appeal hearing concerning the Landlords' efforts to re-rent the Rental Unit, the rental price at which it was advertised, the subsequent reduction in the asking rent, and the date on which the Rental Unit was ultimately rented.

G. CONCLUSION

49. The Landlords' appeal is allowed in part.

50. The Commission finds that the Tenants did not provide sufficient notice to terminate the tenancy effective August 31, 2025. The Landlords are therefore entitled to compensation of $2,800.00 for the rental loss incurred for September 2025.

51. The Commission further finds that the Landlords did not comply with subsection 40(1) of the *Act*. Accordingly, the Landlords are not entitled to retain or make a claim against the $2,800.00 security deposit. The Tenants remain entitled to the statutory remedy of double the security deposit, as determined by the Rental Office in Order LD26-181.

52. The Commission confirms the Rental Office's award in Order LD26-181 of $1,987.16 for oil expenses and repairs, including the lock and key, bathroom tiles, kitchen light, and grass.

53. The Commission therefore varies Order LD26-181 to account for the Landlords' entitlement to $2,800.00 for September 2025 rent. In all other respects, the Rental Office's Order is confirmed.

54. The amounts confirmed and awarded are as follows:

The Landlord owes the Tenant		
Security deposit		$2,800.00
Interest (August 19, 2023 to September 10, 2026)		$212.26
Double security deposit		$2,800.00
	Total:	**$5,812.26**

The Tenant Owes the Landlord		
(a) Expenses:		
Oil expense		$1,155.50
Lock and key		$50.00
Bathroom tiles		$461.16
Kitchen light		$111.43
Grass		$209.07
(b) September Rent		$2,800.00
	Total:	**$4,787.16**

55. The amounts are set off against each other. Accordingly, the amount payable by the Landlords to the Tenants shall be $1,025.08 which the Landlord shall pay to the Tenants by September 24, 2026.

IT IS ORDERED THAT

1. **The Landlords must pay the Tenants $1,025.08 by September 24, 2026.**

DATED at Charlottetown, Prince Edward Island, 10th day of September, 2026.

BY THE COMMISSION:

[sgd. Gordon MacFarlane]

Gordon MacFarlane

[sgd. Kerri Carpenter]

Kerri Carpenter

NOTICE

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

89. (9) A Landlords 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 Landlords 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.