



PRINCE EDWARD ISLAND

Regulatory & Appeals Commission

Commission de réglementation et d'appels

ÎLE-DU-PRINCE-ÉDOUARD

Date Issued: September 29, 2026

Dockets: LR26045

Type: Rental Appeal

INDEXED AS: Royalty Maple Properties Inc. v. Basheet Arisekola,

Fridaos Arisekola, Balikis Arisekola and Oguntana Inloluwa

2026 PEIRAC 62 (CanLII)

Order No: LR26-50

BETWEEN:

Royalty Maple Properties Inc. (the "Landlord")

Appellant

AND:

Basheet Arisekola, Fridaos Arisekola,

Balikis Arisekola and Ogunlana Inioluwa (the "Tenants")

Respondents

ORDER

Panel Members:

Gordon MacFarlane, Commissioner
Pamela J. Williams, K.C., 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 August 12, 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 \$5,132.46 by August 31, 2026.

B. BACKGROUND

2. This appeal concerns a rental unit located at 123 Parkside Drive, Charlottetown, PEI (the “Rental Unit”).
3. The Rental Unit is the lower portion of an over-under duplex (the “Residential Property”) that the Landlord owns.
4. On May 31, 2024, the parties entered into a written, fixed-term tenancy agreement for the Rental Unit, from June 1, 2024, to August 31, 2024. The tenancy was renewed as a fixed-term tenancy agreement from September 1, 2024, to August 31, 2025. Rent was \$2,500.00 due on the first day of the month. A security deposit of \$2,500.00 was paid on May 31, 2024.
5. On August 31, 2025, the Tenants vacated the Rental Unit and the tenancy ended by mutual agreement.
6. On Monday, September 15, 2025, at 9:03 p.m., the Landlord emailed the Rental Office and the Tenants a *Form 2(B) Landlord Application to Determine Dispute* (the “Landlord Application”), seeking to keep the security deposit for cleaning and repairs.
7. Accordingly, pursuant to subsection 100(5)(b) of the *Residential Tenancy Act*, the Landlord Application was deemed to have been filed with the Rental Office on the next day that the Rental Office was open during its regular business hours, being Tuesday, September 16, 2025.
8. On January 3, 2026, the Tenants emailed the Rental Office and the Landlord a *Form 2(A) Tenant Application to Determine Dispute* (the “Tenant Application”), seeking the return of the security deposit.
9. On February 13, 2026, the Landlord emailed the Rental Office and the Tenants an amended *Form 2(B) Landlord Application to Determine Dispute* (the “Amended Landlord Application”), seeking to keep the security deposit for cleaning and repairs. The Amended Landlord Application amended the Landlord’s name, which was cited incorrectly in the Landlord Application.
10. On May 15, 2026, the Rental Office emailed the parties notice of a tele-hearing scheduled for June 18, 2026.
11. On June 18, 2026, the Landlord’s representative (the “Landlord Representative”) and a Tenant, representing all four Tenants (the “Tenant Representative”), participated in the tele-hearing before the Rental Office.

12. The parties confirmed receipt of the evidence package, and the Tenant Representative confirmed that it contained all evidence submitted by the Tenants. The Landlord Representative stated that he had received the evidence package but had not reviewed it before the hearing. The Landlord Representative stated that he was not seeking a postponement.
13. After the hearing, the parties were permitted to provide additional evidence, with a final submission deadline of June 29, 2026. Both parties provided additional submissions, which were shared with the other party and added to the record.
14. On July 15, 2026, the Rental Office issued Order LD26-234 which ordered that the Landlord must pay the Tenants \$5,132.46 by August 31, 2026.
15. The Landlord appealed Order LD26-234 on July 22, 2026.
16. The Commission heard the appeal on August 12, 2026, by way of telephone conference. The Landlord was represented at the telephone conference hearing by Chris Daley. The Tenants were represented at the telephone conference hearing by Frida Arisekola.
17. The applicable legislation is the *Residential Tenancy Act*, cap. R-13.11 (the “*Act*”).

C. DISPOSITION

18. The appeal is dismissed and the Rental Office’s Order LD26-234 is confirmed.

D. ISSUES

19. The issues before the Commission are:
 - a. Did the Landlord comply with section 40 of the *Act* such that the Landlord is entitled to retain the security deposit, or are the Tenants entitled to repayment of the security deposit together with the statutory amount equal to double the security deposit?
 - b. Is the Landlord entitled to any additional compensation for cleaning and/or repairs to the Rental Unit?

E. SUMMARY OF EVIDENCE

Landlord’s Evidence & Submission

20. The Landlord submits that the Tenants did not fully surrender possession of the Rental Unit until September 2, 2025, when the keys were returned. The Landlord argues that the tenancy did not end or was not fully concluded until September 2, 2025.
21. The Landlord also submits that the Rental Office erred in treating the Landlord Application as having been filed on September 16, 2025. According to the Landlord, the application

was electronically submitted on September 15, 2025, and therefore, the Landlord argues, fell within the 15-day period prescribed by subsection 40(1) of the *Act*.

22. The Landlord further submits that, because the keys were returned on September 2, 2025, the September 15, 2025 application was made within 15 days of the end of the tenancy.
23. With regard to its claim for compensation, the Landlord submits that the Rental Unit was newly constructed when the Tenants began their tenancy. The Landlord says that the previous tenant had left the Rental Unit in the condition in which she found it and had received the full return of her security deposit. The Landlord submits that the Tenants were the second occupants of the Rental Unit and that, at the end of their tenancy, the Rental Unit required 20 hours of cleaning, repainting and repairs.
24. The Landlord acknowledges that no pre-inspection report was completed at the beginning of the tenancy. The Landlord nevertheless submits that the evidence establishes that the condition of the Rental Unit at the end of the tenancy was materially worse than would reasonably be expected from ordinary wear and tear.
25. The Landlord also addressed an invoice from Island Painting. The Landlord explained that an earlier invoice submitted into evidence in error related to work performed at another property consisting of 10 cottages. The Landlord submits that the earlier invoice should be disregarded and that a corrected invoice relating specifically to repainting the Rental Unit should instead be considered.

Tenants' Evidence & Submissions

26. The Tenants submit that the Landlord's application was filed after the Rental Office's regular hours on September 15, 2025. They submit that, pursuant to subsection 33(7) of the *Interpretation Act*, the filing is therefore deemed to have occurred on the next business day, that being September 16, 2025. The Tenants submit these statutory deadlines are mandatory.
27. The Tenants submit that the tenancy ended on August 31, 2025. They rely on section 39 of the *Act*, which provides that, unless otherwise agreed, a tenant must vacate the rental unit by 5:00 p.m. on the day the tenancy ends and, when vacating, must provide the landlord with the keys or other means of access in the tenant's possession or control.
28. The Tenants submit that they contacted the Landlord before 5:00 p.m. on August 31, 2025, seeking instructions regarding the return of the keys. They say that the physical return of the keys on September 2, 2025 was caused solely by the Landlord's failure to respond to their request.
29. The Tenants submit that the Landlord should not be permitted to rely on the delay in receiving the keys to their benefit when that delay resulted from the Landlord's own failure to provide them instructions.
30. The Tenants further submit that the Landlord failed to provide sufficient evidence to establish that the Rental Unit required the cleaning and repairs claimed by the Landlord or that the claimed costs were attributable to damage caused by the Tenants rather than ordinary wear and tear.

31. The Tenants also rely on the absence of a condition pre-inspection report and submit that this limits the Landlord's ability to establish the condition of the Rental Unit at the beginning of the tenancy.

F. ANALYSIS

Tenancy End Date

32. The first issue to be determined is whether the tenancy ended on August 31, 2025 or on September 2, 2025.
33. The Commission finds, on a balance of probabilities, that the tenancy ended on August 31, 2025.
34. The fixed-term tenancy agreement expressly provided for a tenancy ending on August 31, 2025. The parties did not enter into a further tenancy agreement, and there is no evidence that the parties agreed to extend the tenancy beyond that date.
35. The evidence also establishes that the Tenants vacated the Rental Unit on August 31, 2025. The subsequent delivery of the keys on September 2, 2025, does not, in the circumstances of this case, establish that the tenancy continued until that date.
36. The Commission accepts the Tenants' evidence that they contacted the Landlord on August 31, 2025, before 5:00 p.m., to obtain instructions concerning the return of the keys. There is no persuasive evidence that the Landlord advised the Tenants that the tenancy would continue until the keys were returned or that the parties agreed to extend the tenancy.
37. The Commission therefore finds that the tenancy ended on August 31, 2025.
38. Section 40(1) of the Act provides that, within 15 days after the date the tenancy ends, a landlord must either:
- (a) issue payment of the security deposit to the tenant, together with interest calculated in accordance with the regulations; or*
- (b) make an application to the Director claiming against the security deposit.*
39. Given the above finding regarding the tenancy end date, the statutory deadline in this case was September 15, 2025.
40. The Landlord sent the Landlord Application electronically at 9:03 p.m. on September 15, 2025.
41. Subsection 100(5)(b) of the *Residential Tenancy Act* states:

Date of service by electronic service

- (5) For the purpose of this section, where a copy of a document is sent electronically, it shall be considered to have been served

[...]

- (b) if the document is sent after 5 p.m., on the next day that is not a holiday.

- 42. In accordance with subsection 100(5)(b) of the *Act*, the Commission therefore finds that, for the purpose of the statutory deadline, the Landlord Application was considered to have been filed on September 16, 2025. The Landlord accordingly did not make its application within the 15-day period prescribed by subsection 40(1) of the *Act*.
- 43. The consequences of non-compliance are expressly set out in subsection 40(4) of the *Act*. Where a landlord does not comply with section 40, 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.*
- 44. The wording of subsection 40(4) is mandatory. Once the Landlord failed to comply with the requirements of subsection 40(1), the Landlord was prohibited from making a claim against the security deposit and was required to pay the Tenants double the amount of the security deposit.

Landlord's Compensation Claim

- 45. In this case, no pre-inspection report was completed at the beginning of the tenancy. The absence of a report documenting the condition of the Rental Unit at the commencement of the tenancy is significant because it makes it more difficult to determine whether the alleged damage existed before the Tenants took possession or arose during the tenancy.
- 46. The Landlord's evidence concerning the condition of the Rental Unit, the amount of cleaning required, the necessity of repainting, and the cost of repairs was insufficient to establish, on a balance of probabilities, that the claimed amounts resulted from damage caused by the Tenants rather than ordinary wear and tear or costs associated with preparing the Rental Unit for a subsequent tenancy.
- 47. The Landlord's evidence that approximately 20 hours of cleaning were required does not, by itself, establish the condition of the Rental Unit at the end of the tenancy or demonstrate that the cleaning required exceeded the level of cleaning that could reasonably be expected following the ordinary use of a rental unit.
- 48. The Commission therefore finds that the Landlord has not established a claim for cleaning, repainting, or repairs. Accordingly, even if the Landlord had complied with section 40, the evidence would not have been sufficient to establish the claimed deductions from the security deposit.

G. CONCLUSION

- 49. The Commission finds that the tenancy between the parties ended on August 31, 2025.
- 50. The Landlord's appeal is dismissed, and Order LD26-234 is confirmed.

51. Pursuant to subsection 40(4) of the *Act*, the Landlord is not entitled to make a claim against the security deposit and must pay the Tenants double the amount of the security deposit, calculated as follows:

Security deposit	\$2,500.00
Interest (May 31, 2024 to date of Order)	\$ 146.78
Double security deposit	<u>\$2,500.00</u>
Total:	\$5,146.78

52. The Commission also finds that, independently of the statutory consequence arising from the Landlord's late filing, the Landlord did not establish sufficient evidence to support its claims for cleaning, repainting, or repairs.

IT IS ORDERED THAT

1. The Landlord shall pay the Tenants **\$5,146.78 by October 13, 2026.**
2. Order LD26-234 is otherwise confirmed.

DATED at Charlottetown, Prince Edward Island, 29th day of September, 2026.

BY THE COMMISSION:

[sgd. Gordon MacFarlane]
Gordon MacFarlane

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

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.