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

Date Issued: **October 29, 2026**
Dockets: **LR26055**
Type: **Rental Appeal**

INDEXED AS: Ashley Marshall and Alex Marshall v. Vincenzo Repaci and Laura O'Laney
2026 PEIRAC 73 (CanLII)
Order No: LR26-59

BETWEEN:

Ashley Marshall and Alex Marshall (the "Tenants")

Appellants

AND

Vincenzo Repaci and Laura O'Laney (the "Landlords")

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 September 28, 2026, and asks the Commission to determine whether the Residential Tenancy Office (the "Rental Office") erred in finding that:
   i. The Tenants must pay the Landlords $6,646.45 in rent.
   ii. The Tenants must compensate the Landlords $3,546.21 for cleaning and damages.
   iii. The Landlords must compensate the Tenants double the security deposit, plus interest, totalling $3,834.92.
   iv. The amounts are set off, and the Tenants must pay the Landlords $6,357.74 by October 30, 2026.

B. BACKGROUND

2. This appeal concerns a rental unit located at 206 Main Street, Mount Stewart, PEI (the "Rental Unit").

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

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

5. The parties entered into a written fixed-term tenancy agreement for the Rental Unit effective from December 1, 2024 to December 31, 2025. The tenancy then continued monthly. Rent of $1,875.00 was due on the first day of the month. Whether the Tenants paid a security deposit at the commencement of the tenancy is disputed and is addressed in the Commission's analysis below.

6. On October 31, 2025, the Landlords' representative (the "Representative") served the Tenants with a first *Form 4(A) Eviction Notice* (the "First Notice") with no vacate date noted, for failing to pay rent of $5,625.00 for September, October, and November 2025. The First Notice was served in person.

7. On December 2, 2025, the Representative served the Tenants with a second *Form 4(A) Eviction Notice* (the "Second Notice") with a vacate date of December 22, 2025, for failing to pay rent of $1,875.00 and repeatedly late rent payments. The Second Notice was served by posting a copy on the Rental Unit's door. The Tenants paid the outstanding rent on December 12, 2025, which invalidated the rent-owing portion of the Second Notice.

8. Regarding the repeatedly late rent payments, the earliest vacate date was January 31, 2026, because of the minimum notice period required by subsection 61(3) of the *Act*. For this reason, the Second Notice's vacate date is automatically corrected to January 31, 2026, under section 54, for this ground for eviction.

9. On February 3, 2026, the Tenants moved out of the Rental Unit.

10. On February 19, 2026, the Landlords emailed the Rental Office a first *Form 2(B) Landlord Application to Determine Dispute* seeking rent owing, additional compensation, and to keep the security deposit. A copy was served electronically.

11. On May 4, 2026, the Landlords filed an amended *Form 2(B) Landlord Application to Determine Dispute* (the "Application") with the Rental Office seeking rent owing, additional compensation, to dispose of the Tenants' personal property, and to keep the security deposit. A copy was served electronically.

12. On June 22, 2026, the Rental Office emailed the parties notice of a tele-hearing scheduled for July 30, 2026.

13. On July 9, 2026, the Rental Office emailed the parties a 450-page PDF evidence package (the "Evidence Package").

14. On July 30, 2026, the Representative and the Tenants participated in the tele-hearing before the Rental Office. The parties confirmed receipt of the Evidence Package and that it contained all submitted evidence. The Representative stated she was no longer seeking to dispose of the Tenants' personal property.

15. On September 2, 2026, the Rental Office issued Order LD26-307 which ordered:

    1. The Tenants must pay the Landlords $6,646.45 in rent.
    2. The Tenants must compensate the Landlords $3,546.21 for cleaning and damages.
    3. The Landlords must compensate the Tenants double the security deposit, plus interest, totalling $3,834.92.
    4. The amounts are set off, and the Tenants must pay the Landlords $6,357.74 by October 30, 2026.

16. The Tenants appealed Order LD26-307 on September 8, 2026.

17. The Landlords cross-appealed Order LD26-307 on September 21,2026.

18. The Commission heard the appeal on September 28, 2026, by way of telephone conference. The Tenants were represented at the hearing by Ashley Marshall. The Landlords attended the hearing on their own behalf. Debbie Bovyer attended the hearing as a witness for the Landlords.

C. DISPOSITION

19. The Tenants' appeal is allowed in part, and the Landlords' cross-appeal is allowed. Order LD26-307 is varied by reducing the rent award from $6,646.45 to $4,790.89 and setting aside the award of $3,834.92 to the Tenants for double the security deposit, including interest.

20. The award of $3,546.21 to the Landlords for cleaning and damages is confirmed.

21. Except as varied by this decision, Order LD26-307 remains in force.

D. ISSUES

22. The issues for the Commission to consider on this appeal are as follows:

    A. Do the Tenants owe rent to the Landlords and, if so, in what amount?

    B. Do the Landlords owe the Tenants double the security deposit?

    C. Are the Tenants required to compensate the Landlords for cleaning and damages and, if so, in what amount?

E. SUMMARY OF EVIDENCE

23. In support of their respective appeal and cross-appeal, the parties rely on the evidence contained in the Evidence Package and their submissions before the Commission.

Tenants' Evidence & Submissions

24. The Tenants dispute the amount awarded for rent arrears and ask the Commission to review the amounts awarded by the Rental Office.

25. The Tenants acknowledge that they fell behind in rent payments due to personal financial difficulties.

26. The Tenants maintain that they paid the Landlords a security deposit in January 2026.

27. The Tenants dispute their responsibility for the furniture in the Rental Unit, submitting that it was more than ten years old and contained mould when they moved in. They state that they periodically attempted to clean the mould and used heaters in the bedrooms in an effort to manage the problem.

28. The Tenants submit that, after they vacated the Rental Unit, the Landlords disposed of their personal property, including a fence and some wood. They state that they had offered to return in the spring to remove these items and clean the property but were instructed by the Representative not to return.

29. The Tenants also dispute the amount charged for garbage removal, submitting that the bill was excessive and that approximately half of the garbage removed belonged to the Landlords.

Landlords' Evidence and Submissions

30. The Landlords appeal the Rental Office's Order regarding the awarding of double the security deposit.

31. The Landlords submit the Tenants actually never paid a security deposit and therefore no security deposit was due to be returned to the Tenants at all. Neither the Landlord nor its Representative asked for a security deposit when the Tenants moved into the premises.

32. Accordingly, the Landlords ask the Commission to set aside the award relating to the security deposit and reduce that amount to zero.

33. The Landlords further submit that, in April 2026, they had the fence removed and the Rental Unit cleaned to a standard suitable for renting or selling the property.

F. ANALYSIS

Rent & Security Deposit

34. The Commission accepts the finding of the Rental Office that the parties' tenancy was terminated effective January 31, 2026. The Tenants nevertheless remained in possession until February 3, 2026 and agrees with the Rental Office that rent is owing by the Tenants for these 3 days.

35. The Commission has reviewed the banking records and the parties' submissions concerning payments made in January 2026. Rental payments during the tenancy were sporadic in relation to timing and installment amounts. The evidence established that the tenancy was for 14 months and therefore the rent owing over that period of time would be $26,250. Both parties submitted records which provided for a reconciliation of $21,660 being paid to the Landlords. At issue is whether this includes a security deposit or is it all rental payments. In its cross-appeal and evidence before the Commission the Landlords submitted that there was never a security deposit paid. Upon a review of the bank records and hearing the submissions of the Tenants contesting the rent amount outstanding from the RTO decision, the Commission finds that the payments of $1,500.00 on January 15, 2025, and $375.00 on January 20, 2025 were payments made for **rent** and were not payments of a security deposit. The history of rental payments and contemporaneous message identifying the payment as "Rent" supports this finding.

36. The Rental Office awarded the Landlords $6,646.45 for rent, consisting of $6,465.00 in rent arrears and $181.45 for the Tenants' continued occupation of the Rental Unit from February 1 to February 3, 2026. Given the finding in the paragraph 37 above, the Commission finds that the January 2025 payments totalling $1,875.00 must be credited against the Tenants' rent arrears. The revised rent arrears are therefore $4,590.00 ($6,465.00 − $1,875.00).

37. The Commission finds that the evidence does not establish that the Tenants paid a security deposit to the Landlords. Accordingly, the factual basis for the Rental Office's award of double the security deposit has not been established. The award of $3,834.92 to the Tenants for double the security deposit, including interest, is therefore set aside.

38. The Commission also confirms an award of $200.89 for the Tenants' continued occupation of the Rental Unit from February 1 to February 3, 2026, calculated at $1,875.00 divided by 28 days and multiplied by three days. The Commission finds that this amount is payable in addition to the rent arrears identified above.

39. The amount of rent owed is as follows:

Rental Arrears	
February 2025 - overpayment	($ 10.00)
August 2025	$ 575.00
September 2025	$ 875.00
October 2025	$1,875.00
November 2025	$1,275.00
February 2026	$ 200.89
Total Rental Arrears to be paid by Tenant	$4,790.89

40. The total amount payable for rent and continued occupation into February 2026 is therefore $4,790.89. The Commission varies the Rental Office's award of $6,646.45 in rent owing accordingly.

Cleaning & Damages

41. The Commission has considered the Tenants' submissions concerning the condition of the Rental Unit, the age and condition of the furniture, the alleged mould, the missing items, and the costs of cleaning, repairs and removal of the fence and wood. The Commission has also reviewed the evidence and the Rental Office's reasons for allowing the claims.

42. The Landlords bear the burden of establishing their claims on a balance of probabilities. In considering those claims, the Commission has distinguished ordinary wear and tear from damage for which the Tenants may be responsible and has considered whether the amounts claimed are reasonably supported by the evidence.

43. Having reviewed the Evidence Package, the parties' submissions, and the Rental Office's reasons, the Commission is not persuaded that the assessment of the cleaning and damage claims should be varied. The Commission relies on the evidence identified in the Rental Office's reasons and the record concerning the condition of the Rental Unit, the work required after the tenancy, and the amounts claimed. The Commission therefore confirms the award of $3,546.21 to the Landlords for cleaning and damages.

G. CONCLUSION

44. The Tenants' appeal is allowed in part, and the Landlords' cross-appeal is allowed. Order LD26-307 is varied by reducing the rent award to $4,790.89 and setting aside the award of $3,834.92 to the Tenants for double the security deposit, including interest.

45. The Tenants must pay the Landlords $4,790.89 for rent arrears and rent owing for continued occupation of the Rental Unit for three days in February 2026 by the timeline below.

46. The Rental Office's award of $3,546.21 for cleaning and damages is confirmed.

47. The Commission finds that the evidence does not establish that the Tenants paid a security deposit to the Landlords. The award of double the security deposit, including interest, is therefore set aside.

48. Except as varied by this decision, Order LD26-307 remains in in force.

IT IS ORDERED THAT

1. **The Tenants' appeal is allowed in part.**

2. **The Landlords' cross-appeal is allowed.**

3. **The Tenants must pay the Landlords a total of $8,337.10 for rent owing and for cleaning and damages.**

4. **The Tenants shall pay the Landlords a total of $8,337.10 by November 12, 2026.**

5. **Except as varied by this Order, Order LD26-307 remains in force.**

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