

INTRODUCTION

- [1] The Subtenant seeks compensation for moving expenses due to an unlawful eviction, in the total amount of \$1,385.30.

DISPOSITION

- [2] The Subtenant has not established a valid claim for compensation.

BACKGROUND

- [3] The Unit is a two-bedroom rental unit in an apartment building.
- [4] The Tenant and the Unit's owner (the "Owner") were in a tenancy agreement. Rent was \$1,325.61 per month.
- [5] The Tenant and the Subtenant had a pre-existing personal relationship which later became a subletting agreement.
- [6] The Subtenant lived in the Unit since at least January 1, 2024. The parties agreed that the Subtenant would pay the Tenant half (\$662.80) of the monthly rent paid by the Tenant to the Owner plus half the cost of internet and electricity. The parties agreed to share some other expenses which are beyond the subletting agreement, and the Rental Office's jurisdiction.
- [7] On August 2, 2024 the Owner served two *Form 4(A) Eviction Notices* with an effective date of August 22, 2024 (the "Notices"). The owner had a valid basis for ending the tenancy agreement with the Tenant as of August 22, 2024 for non-payment of rent.
- [8] On August 22, 2024 the tenancy agreement ended, which also brought the end of the subletting agreement. The Subtenant vacated the Unit.
- [9] The parties were involved in an earlier Residential Tenancy Office dispute, which was determined in Order LD24-396.
- [10] On December 23, 2024 the Subtenant filed a *Form 2(A) Tenant Application to Determine Dispute* (the "Application") with the Rental Office requesting compensation for moving expenses due to an unlawful eviction.
- [11] On February 4, 2025 the Rental Office emailed the parties notice of a paper-based hearing.
- [12] On March 18, 2025 the Rental Office emailed the parties a 78-page complete evidence package.

ISSUE

- A. Must the Tenant compensate the Subtenant for moving expenses based upon an unlawful eviction?

ANALYSIS & FINDING

- [13] The Subtenant is seeking compensation for moving expenses alleging an unlawful eviction, in the amount of \$1,385.30. The claims include:

Claim	Cost
08/22/24: Moving costs from Unit to storage	\$120.00
08/22/24: Short-term rental	\$145.30
08/23/24-09/01/24: Short-term rental	\$1,000.00
09/01/24: Moving costs from storage to rental	\$120.00
Total:	\$1,385.30

- [14] The Subtenant's submissions state that in Order LD24-396, it was found that he owed the Tenant \$50.70 in rental arrears, which he requested be offset in this decision.

Subtenant's Evidence

- [15] The Subtenant's position is summarized as follows.
- [16] The Subtenant believed that the Tenant would ask the Owner's property manager to include him to the tenancy agreement when he moved into the Unit in January 2024. In May 2024, the Tenant told the Subtenant that she did not have him added to the tenancy agreement.
- [17] The Subtenant claimed that the Tenant was being evicted for non-payment of rent, and that he offered the Tenant money to pay the rent, which the Subtenant refused to accept.
- [18] The Subtenant claimed that in August 2024, the Owner's property manager told him that new tenants were found for the Unit. The Subtenant moved out of the Unit, despite not receiving an eviction notice from the Tenant.
- [19] The Subtenant claimed that he was unlawfully evicted by the Tenant. The Subtenant claimed that the Tenant admitted in their submissions to not giving the him an eviction notice. The Subtenant claimed that the Tenant faked an eviction to get him out of the Unit.
- [20] The Subtenant is seeking moving costs and the costs associated with short-term living due to the unlawful eviction. The Subtenant submitted receipts associated with the costs to move his personal belongings from the Unit to storage and then from storage to his new rental unit. The Subtenant also submitted receipts for short-term rental from August 22 to September 1, 2024.

Tenant's Evidence

- [21] The Tenant's position is summarized as follows.
- [22] The Tenant disputed the Subtenant's compensation claim. The Tenant claimed that the Subtenant was not unlawfully evicted. The Tenant claimed that she may not have served the Subtenant with the Notice, however, she received the Notice from the Owner for non-payment of rent.
- [23] The Tenant stated that the Subtenant was regularly late paying his share of the rent. The Tenant stated that the Subtenant did not pay his share of the rent in August. The Tenant claimed that she did not have the rent money for August. The Tenant stated that the Subtenant paid her rental arrears but there was no rent money for August. She received two eviction notices, and could not invalidate the Notice, which was served for non-payment of rent.

- [24] The Tenant stated that after the Subtenant vacated the Unit, she was cleaning the Unit when the Owner offered her to move back into the Unit because the prospective tenants backed out of moving into the Unit. The Tenant stated that she entered into a new tenancy agreement with the Owner.

Determination

- [25] The evidence does not establish a valid claim for compensation.
- [26] Particularly, I find that the evidence does not support that the Subtenant was unlawfully evicted from the Unit.
- [27] Subsections 30(6) and (8) of the *Residential Tenancy Act* (or the “Act”) state:

Where a tenant has sublet a rental unit to another person

- (a) *the tenant remains entitled to the benefits and is liable to the landlord for the breaches of the tenant’s obligations under the tenancy agreement or this Act during the subtenancy; and*
- (b) *the subtenant is entitled to the benefits and is liable to the tenant for the breaches of the subtenant’s obligations under the subletting agreement or this Act during the subtenancy.*

A tenant

- (a) *shall not charge a subtenant more rent than is payable under the tenancy agreement; and*
 - (b) *where the tenant and the subtenant occupy the rental unit, shall not charge the subtenant more rent than the amount represented by the rent payable under the tenancy agreement, either*
 - (i) *divided by the number of tenants during the subtenancy, or*
 - (ii) *apportioned among the tenants in a manner agreed to by them.*
- [28] In Order LR24-72, the Island Regulatory and Appeals Commission found that subsection 30(6) creates two separate agreements in the case of a sublet: (1) the tenancy agreement between the landlord and the tenant and (2) the subletting agreement between the tenant and the subtenant. Therefore, when a rental unit is sublet, the original tenancy agreement remains in place between the original tenant and the landlord, and the original tenant and the subtenant enter into a new subletting agreement.
- [29] In this case, the evidence establishes that the Tenant received the Notice from the Owner for non-payment of rent. The Notice also named the Subtenant. The evidence establishes that the Notice was posted to the door of the Unit.
- [30] The Notice was not invalidated or disputed by the Tenant (or the Subtenant) within ten days of receiving the Notice. On August 22, 2024 the tenancy agreement between the Tenant and the Owner ended. This was a lawful eviction under the *Act*. By operation of law, once the tenancy agreement ended, then so did the subletting agreement with the Subtenant and the Tenant.
- [31] In Rental Office Order LD24-396, it was determined that the Subtenant owed rental arrears to the Tenant and that pro-rated rent for August 2024 was owed. The Subtenant did not pay the Tenant rent, and that the Tenant had insufficient funds for August’s rent. This caused the Notice to be served to the Tenant for non-payment of rent.

[32] I find that the subletting agreement was terminated by operation of law, by a lawful eviction of the tenancy agreement. Therefore, the Application is denied and the Subtenant's claim is dismissed.

IT IS THEREFORE ORDERED THAT

1. The Application is denied.

DATED at Charlottetown, Prince Edward Island, this 1st day of May, 2025.

(sgd.) Cody Burke

Cody Burke
Residential Tenancy Officer

NOTICE

Right to Appeal

This Order can be appealed to the Island Regulatory and Appeals Commission (the "Commission") by serving a Notice of Appeal with the Commission and every party to this Order within **20 days of this Order**. If a document is sent electronically after 5:00 p.m., it is considered received the next day that is not a holiday. If a document is sent by mail, it is considered served on the third day after mailing.

Filing with the Court

If no appeal has been made within the noted timelines, this Order can be filed with the Supreme Court of Prince Edward Island and enforced as if it were an order of the Court.