

INTRODUCTION

[1] This decision determines an application filed with the Residential Tenancy Office (the "Rental Office") under the *Residential Tenancy Act* (the "Act").

[2] The Tenants dispute the Landlord's eviction notice served for an illegal activity in the Unit.

DISPOSITION

[3] I find that there is insufficient evidence to end the tenancy based upon an illegal activity.

[4] The tenancy between the parties will continue and the Tenants can continue living in the Unit.

BACKGROUND

[5] The Unit is a two-bedroom, two-bathroom apartment located in a 36-unit building (the "Residential Property") owned by the Landlord since it was built in August of 2020.

[6] The Landlord and the Tenants entered into a written, fixed-term tenancy agreement from June 1, 2025 to May 31, 2026 (the "Tenancy Agreement"). A \$1,900.00 security deposit was paid on May 5, 2025. Rent in the amount of \$1,900.00 is due on the first day of the month.

[7] On January 14, 2026 the Landlord served the Tenants with a *Form 4(A) Eviction Notice* with a vacate date of February 28, 2026 based upon an illegal activity (the "Notice"). The particulars of termination stated:

"The tenant has been arrested and charged with possession of illegal narcotics with the intent to traffic."

[8] On January 14, 2026 the Tenants filed a *Form 2(A) Tenant Application to Determine Dispute* with the Rental Office disputing the Notice, which was later amended on January 26, 2026 and January 28, 2026 (the "Application").

[9] On February 3, 2026 the Rental Office sent the parties notice of a teleconference hearing scheduled for February 24, 2026.

[10] On February 17, 2026 the Rental Office sent the parties a 74-page PDF evidence package ("EP").

[11] On February 24, 2026 the hearing was adjourned to the next day because of a winter storm closure, as provided in the notice of hearing.

[12] On February 25, 2026 the hearing was adjourned to February 27, 2026.

[13] On February 27, 2026 two of the three Tenants ("T1" and "T2") participated in the teleconference hearing. T2 represented the third tenant ("T3"). The Landlord's representative and the Landlord's property manager participated in the hearing. The parties confirmed that they received the evidence package and that all evidence submitted to the Rental Office was included.

ISSUE

A. Must the Tenants vacate the Unit?

ANALYSIS**Legal Basis**

[14] The Landlord has the onus to prove, on the civil standard of the balance of probabilities, a valid reason to end the tenancy contained in the Notice.

[15] In Order LR24-64 the Island Regulatory and Appeals Commission made the following comment regarding a landlord ending a tenancy (paragraph 21):

“The termination of a tenancy is a serious matter and accordingly a Landlord seeking to evict a tenant must put forward compelling evidence...”

[16] The Landlord seeks to end the Tenancy Agreement under clause 61(1)(e) of the Act, which states:

A landlord may end a tenancy by giving a notice of termination where one or more of the following applies:

(e) the tenant or a person permitted on the residential property by the tenant has engaged in illegal activity that

(i) has caused or is likely to cause damage to the landlord’s property,

(ii) has adversely affected or is likely to adversely affect the quiet enjoyment, security, safety or physical well-being of another occupant of the residential property, or

(iii) has jeopardized or is likely to jeopardize a lawful right or interest of the landlord or another occupant;

[17] For the reasons below, I find that there is insufficient evidence to end the Tenancy Agreement.

Summary of the Evidence

[18] The Landlord’s evidence is summarized as follows.

[19] The Landlord seeks to end the tenancy based upon activities related to criminal charges.

[20] The Landlord became aware of these charges through a news article. The Landlord has safety concerns for the other occupants of the Residential Property.

[21] The Landlord submitted into evidence a four-page Royal Canadian Mounted Police (the “RCMP”) news release (the “Release”) which states that T1 and T3 were required to appear in Charlottetown Provincial Court to answer charges for possession for the purpose of trafficking opium and unlawfully importing a Schedule 1 substance under the *Controlled Drugs and Substances Act* (the “CDSA”). These charges relate to a parcel containing approximately eight kilograms of opium that was intercepted and inspected by the Canada Border Services Agency.

[22] The Release states with that the RCMP investigation led to the execution of a search warrant at a Charlottetown residence on December 4, 2025.

[23] On December 4, 2025 the police escorted T1 and T3 out of the Residential Property, which is shown in video surveillance screenshots that the Landlord submitted into evidence. An occupant of the Residential Property notified the Landlord that they heard a loud bang resembling a gunshot around this time.

[24] The Landlord did not directly witness illegal activity. The Landlord has not recently inspected the Unit.

- [25] The Landlord provided evidence regarding another occupant of the Residential Property complaining of a drug smell in the Residential Property's waste water.
- [26] T1's evidence is summarized as follows.
- [27] On December 4, 2025 FedEx delivered a parcel, which was in T3's name. T3 signed for the parcel and opened it. T1 was making dinner at this time.
- [28] T1 stated that the parcel contained what looked like an Indian food called panjiri. T1 did not believe that the substance was opium.
- [29] T3 put the parcel in the Unit's garbage bin right away because T1 and T3 did not know who sent the parcel.
- [30] About fifteen minutes later the police arrived and banged on the Unit's door. T1 stated that there was no gunshot. The police entered the Unit and seized everything from the garbage.
- [31] T1 and T3 have been released. The criminal matter is still before the Court and has not been decided.
- [32] T1 denied responsibility for any drug smell.
- [33] T1 stated that anyone could send a parcel to the Unit's address.
- [34] T2's evidence is summarized as follows.
- [35] T2 was not present when the parcel arrived.
- [36] T2 stated that she is not named in the Release and she should not have been named in the Notice.

Determination

- [37] There are two components to terminate a tenancy agreement under clause 61(1)(e).
- [38] The first component a landlord must establish is an *"illegal activity."* This means that the landlord must prove, on a balance of probabilities, that the tenant, or a guest of the tenant, engaged in a serious violation of a federal, provincial or municipal law. The law violated does not need to be a Criminal Code offence.
- [39] For the second component, a landlord must establish that the illegal activity was serious enough to have a harmful impact on the landlord's property, other occupants of the residential property, or the landlord.
- [40] Both of these two components must be proven in order to end a tenancy under this clause.
- [41] A criminal conviction is not a mandatory requirement for terminating a tenancy. However, generally speaking it would be easier for a landlord to establish an illegal activity after a criminal conviction has occurred.
- [42] For the reasons below, I find that there is insufficient evidence to establish an illegal activity.
- [43] The Release does not state the specific sections of the *CDSA* that were allegedly breached.
- [44] The Landlord's representative and property manager do not have direct knowledge regarding the parcel because they were not present when the December 4, 2025 incident occurred.

- [45] No police officers participated in the hearing. No court or police documents are in evidence regarding the alleged illegal activity except for the Release.
- [46] While I expect that the RCMP took great care in preparing the Release, I recognize that it is an unsworn document. It is not an affidavit.
- [47] T1 essentially denied knowing that the substance in the parcel was opium. In particular, T1 stated that she believed that the substance was panjiri. T2 stated that she was not present when the parcel was delivered.
- [48] The evidence presented does not establish that the Tenants knew that the substance in the parcel was opium.
- [49] Therefore, the first component of an illegal activity has not been proven.
- [50] I find that the Notice is invalid and the Application is allowed. The Tenants can continue living in the Unit.
- [51] During the hearing T2 questioned why T2's name was included in the Notice.
- [52] I note that, if a breach of clause 61(1)(e) had been established against one of the Tenants, then all three Tenants would have been required to vacate the Unit. The Landlord correctly included all three Tenants' names at the top of the Notice.

IT IS THEREFORE ORDERED THAT

1. The Tenancy Agreement will continue and the Tenants can continue living in the Unit.

DATED at Charlottetown, Prince Edward Island, this 2nd day of March, 2026.

(sgd.) Andrew Cudmore

Andrew Cudmore
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.