

INTRODUCTION

- [1] This decision determines two applications filed with the Residential Tenancy Office (the "Rental Office") under the *Residential Tenancy Act* (the "Act").
- [2] The Landlord served eviction notices alleging that the Tenant was responsible for illegal activity, damage and non-payment of rent. The Tenant disputes the notices.
- [3] The Tenant claims against the Landlord alleging that the Unit's rent was unlawfully increased.

DISPOSITION

- [4] I find that the eviction notices are invalid and the tenancy agreement will continue.
- [5] I find that the Tenant has not established an unlawful rent increase claim.

BACKGROUND

- [6] The Unit is a two-bedroom, one-bathroom apartment located on the top floor of a three-level, twelve-unit building (the "Residential Property").
- [7] The Tenant and the former owner of the Residential Property entered into a tenancy agreement that started on September 15, 2019. Rent in the amount of \$750.00 is due on the first day of the month and a security deposit was not required.
- [8] Around November of 2024 the Landlord purchased the Residential Property from the former owner and the tenancy continued. The Landlord also owns three other 12-unit buildings nearby with the same layout as the Residential Property.
- [9] The Landlord and the Tenant entered into a written, fixed-term tenancy agreement from January 1, 2025 to February 28, 2026.
- [10] On or about July 29, 2025 the Landlord sent the Tenant a letter stating that the Landlord would not renew the tenancy agreement and the Tenant would need to move out by February 28, 2026 (the "Non-Renewal Letter").
- [11] On February 23, 2026 the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* alleging an unlawful rent increase and disputing the Non-Renewal Letter.
- [12] On or about March 9, 2026 the Landlord served the Tenant a first *Form 4(A) Eviction Notice* with a vacate date of March 31, 2026 for illegal activity and damage to the Unit (the "First Notice"). The particulars of termination state:
- "tenant was on a fixed term lease that expired February 28, 2026. Tenant was given 6 months notice that the lease was not being renewed. Case worker is aware and no rent being paid March onward."*
- [13] I note that the correct vacate date was April 30, 2026, as determined below.
- [14] On March 11, 2026 the Landlord served the Tenant with a second *Form 4(A) Eviction Notice* with a vacate date of March 31, 2026 for non-payment of rent (the "Second Notice"). The particulars of termination state:
- "March rent not paid."*
- [15] In this decision the First Notice and the Second Notice are collectively referred to as the "Notices."

- [16] On March 18, 2026 the Tenant filed an amended *Form 2(A) Tenant Application to Determine Dispute* alleging an unlawful rent increase and disputing the Non-Renewal Letter.
- [17] On March 18, 2026 the Tenant also filed an additional *Form 2(A) Tenant Application to Determine Dispute* disputing the Notices.
- [18] On April 14, 2026 the Rental Office sent the parties notice of a tele-hearing scheduled for April 30, 2026 along with a copy of the Tenant's two March 18, 2026 applications.
- [19] On April 22, 2026 the Rental Office sent the parties a 62-page PDF evidence package.
- [20] On April 30, 2026 the Tenant and the Landlord's representative (the "Representative") joined the tele-hearing. The parties confirmed that they received the evidence package and that all documents submitted to the Rental Office were included.

ISSUES

- A. Must the Tenant and all occupants vacate the Unit?
- B. Has the Tenant established an unlawful rent increase claim against the Landlord?

ANALYSIS

A. Must the Tenant and all occupants vacate the Unit?

- [21] I note that the Landlord withdrew the Non-Renewal Letter and it is no longer claimed to be a basis for ending the tenancy.

First Notice: Effective Date and Landlord Name

- [22] The Landlord served the Notice on or about March 9, 2026 under subsection 61(1) of the *Act* and provided a vacate date of March 31, 2026.

- [23] The minimum notice period is provided in subsection 61(3), which states as follows:

A notice of termination under this section shall end the tenancy effective on a date that is
(a) not earlier than one month after the date the notice is received; and
(b) the day before the day that rent is payable under the tenancy agreement.

- [24] The earliest effective date was April 30, 2026, which is automatically changed under section 54 of the *Act*.

- [25] I note that the Representative properly signed the Notices. However, the Representative only included her personal name in the Notices' "*Landlord Name (print only):*" section near the bottom of the Notices.

- [26] The Representative should have also printed the appropriate landlord corporate name with the total printed entry being as follows:

"[Insert representative's personal name who is signing the eviction notice] on behalf of
[insert landlord corporate name]"

- [27] This would help avoid some confusion regarding who in fact is the Tenant's landlord.

Legal Basis

[28] 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 Notices.

[29] In the First Notice the Landlord seeks to end the tenancy under clauses 61(1)(e) and (f) of the *Act*, which state:

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;

(f) the tenant or a person permitted on the residential property by the tenant has caused unreasonable damage to a rental unit or the residential property;

[30] For the reasons below, I find that the First Notice is invalid.

[31] I note that the First Notice's particulars of termination provide limited information regarding the specific behaviour, damage and events in dispute.

[32] Subsection 53(d) of the *Act* states as follows:

In order to be effective, a notice of termination shall be in writing and shall...

(d) except for a notice of termination under section 56, state the grounds for ending the tenancy;

[33] Subsection 53(d) facilitates procedural fairness because the person that receives an eviction notice must be provided with the reasons for eviction.

[34] Clauses 61(1)(e) and (f) cover a wide range of behaviour, damage and events that could be considered illegal activity or damage. Particulars are necessary to ensure that the recipient of the eviction notice can understand why their landlord is seeking eviction.

[35] The Landlord should have written more details in the First Notice's particulars section regarding the complaints raised in the Landlord's evidence.

Determination

[36] The Landlord's evidence alleges that the Tenant was selling illegal drugs, consuming illegal drugs, causing excessive traffic inside the Residential Property, caused a fire hazard and is responsible for damage, particularly to the Residential Property's doors.

[37] In Order LR26-16 the Island Regulatory and Appeals Commission (the "Commission") made the following comments regarding a landlord ending a tenancy:

"49. The Commission approaches the termination of a tenancy as a serious matter, given the significant impact an eviction has on a tenant's housing security. As noted in prior decisions, a landlord seeking to end a tenancy must provide clear, cogent, and compelling evidence to justify termination.

50. Therefore, the burden rests on the Landlord to establish, on a balance of probabilities, that one or more of the grounds for termination under section 61(1) of the Act have been met. This requires demonstrating that it is more likely than not that the alleged conduct occurred and that it meets the statutory threshold for eviction.”

- [38] There are a number of Commission cases discussing the importance of having witnesses participate in Rental Office and Commission hearings to provide testimony and answer questions (for example, see Orders LR23-83, LR24-45 and LR25-54).
- [39] The best practice is for a landlord to have the complaining tenants or other witnesses participate in the hearing. The witnesses solemnly affirm to tell the truth, provide their testimony, and are available to answer questions regarding their evidence. A landlord should also submit documents to the Rental Office in advance of the hearing that would be referred to by the witnesses during the hearing. It is the responsibility of landlords and tenants to have their witnesses participate in a tele-hearing, not the Rental Office.
- [40] The Landlord has provided limited evidence to support the First Notice. Other than the Tenant, no other occupants of the Residential Property participated in the tele-hearing. The Landlord instead provided anonymized, unsworn/unaffirmed emails from complainants. Such evidence provides minimal to no support for the Notices.
- [41] The Representative stated that the complainants are fearful of retribution and repercussions if they speak out.
- [42] I note that complainants frequently participate in Rental Office and Commission tele-hearings as witnesses to provide their direct evidence regarding contentious matters.
- [43] The parties did not submit video evidence regarding the Notices.
- [44] The parties submitted into evidence a letter from the Landlord to the Tenant dated March 27, 2025 indicating that the landlord would have video recordings from surveillance cameras. This letter states in part:
- “Please be aware that the property is monitored by 24-hour security footage, and all footage will be retained for potential future use if necessary.”*
- [45] At the hearing the Representative stated that the Residential Property does not in fact have operating surveillance cameras. Therefore, I do not have the benefit of this type of objective evidence showing what in fact happened.
- [46] The Landlord is based out of Halifax and does not have employees working on Prince Edward Island. The Landlord mainly communicates with tenants by email and telephone.
- [47] The Representative has limited direct evidence regarding the Tenant being responsible for illegal activity or damage. The Representative does not live in the Residential Property.
- [48] The Representative provided evidence regarding the first occasion that the Representative attended the Unit. The Representative saw that the Tenant was intoxicated. The Tenant had items in the hallway that blocked the stairwell in behind the door, creating a fire hazard. The Representative asked the Tenant to remove the items and the Tenant eventually removed them. The Representative submitted into evidence notes dated January 30, 2026.

- [49] The Representative submitted into evidence emails from the Tenant's former caseworker regarding illegal substances.
- [50] The Representative stated that the building's front door locks have been broken so many times that the Landlord got to the point where they stopped doing the repairs because it was getting very costly. The Representative essentially stated that the Tenant arranging for door repairs was an admission that the Tenant or her guests were responsible for the damage.
- [51] The Tenant denied most of the Landlord's evidence. The Tenant denied selling drugs. The Tenant stated that the Police never laid charges regarding an illegal activity alleged in the First Notice.
- [52] In response to the Landlord's fire hazard evidence, the Tenant stated that the ladder and shovel behind the Unit's door were for the building and were not the Tenant's personal property.
- [53] I note that the Tenant's caseworker did not participate in the hearing to provide affirmed evidence and answer questions. The caseworker's January 28, 2025 email provides limited information regarding the basis for the caseworker's concerns regarding the Tenant. It is unclear who the caseworker has spoken to or whether the caseworker has directly witnessed any concerning behaviour.
- [54] The Tenant stated that she was clean for six years and had a relapse that lasted about two months after a close family member had a serious medical event.
- [55] However, I have insufficient evidence that this relapse amounts to a breach of clause 61(1)(e). I note that this clause requires not only sufficient proof of an illegal act, but also sufficient proof of at least one of the three listed impacts. Due to the issues with the Landlord's evidence identified above, I am not satisfied that this Tenant admission amounts to a breach of clause 61(1)(e).
- [56] The Tenant denied responsibility for damaging the Residential Property's doors. The Tenant stated that she is not the only tenant in the building and there are 11 other units. The Tenant stated that the Residential Property's locks and buzzers have not worked since the Tenant moved in during 2019. People have slept in the laundry rooms and broke into the coin-operated machines, which were later changed to card-operated machines.
- [57] The Tenant essentially stated that she arranged for a building door repair to avoid conflict with the Landlord, not because she was responsible for the damage. The Tenant stated that she could not prove that someone else was responsible for the door damage.
- [58] For these reasons, I find that the Landlord has provided insufficient evidence to support the First Notice and it is therefore invalid.

Second Notice: Non-Payment of Rent

- [59] For the reasons below, I find that the Second Notice is invalid.
- [60] Subsection 60(1) of the *Act* states:

A landlord may end a tenancy if rent is unpaid after the day it is due, by giving a notice of termination effective on a date that is not earlier than 20 days after the date the tenant receives the notice.

- [61] March 2026 rent was due on March 1, 2026. The evidence presented establishes that rent of \$750.00 remained owing as of March 11, 2026, the date that the Second Notice was served.

[62] Clause 60(4)(a) of the *Act* states:

Within 10 days after receiving a notice of termination under this section, the tenant may (a) pay the overdue rent, in which case the notice of termination has no effect.

[63] The evidence establishes that March's rent was paid on March 17, 2026, six days after the Second Notice was served. Therefore, the non-payment of rent ground for ending the tenancy was invalidated by operation of law under clause 60(4)(a).

[64] Further, based upon the evidence presented, it appears that the Landlord's Non-Renewal Letter interrupted the Tenant's income support. This is also a valid reason to invalidate the non-payment of rent basis for ending the tenancy.

[65] I note that the Landlord also selected clauses 61(1)(e) and (f) in the Second Notice. However, these grounds for termination have already been determined to be invalid in the analysis of the First Notice, above.

[66] For these reasons, I find that the Second Notice is invalid.

[67] The Landlord's evidence is that April's rent has not been paid. The Tenant stated that she does not pay the rent directly and she did not know that income support did not pay April's rent.

[68] The Landlord and the Tenant need to work together to ensure that income support provides the rental funding that is available to the Tenant.

B. Has the Tenant established an unlawful rent increase claim against the Landlord?

[69] For the reasons below, I find that the Tenant has not established a compensation claim based upon an unlawful rent increase.

[70] The Tenant stated that the Tenant's niece (the "Niece") lived in the Unit before the Tenant moved in on September 15, 2019. The Tenant stated that the Niece was paying \$650.00 per month in rent for the Unit and the rent increased to \$750.00 when the Tenant moved in. The Tenant's rent has been \$750.00 per month the entire time that the Tenant has lived in the Unit.

[71] The Representative essentially stated that the Landlord has no knowledge of the Unit's rent being unlawfully increased and the Landlord never unlawfully increased the Tenant's rent. The Representative submitted into evidence an email from the Tenant's caseworker stating that the rent had not been increased in the records they have, which go back to 2022.

[72] The *Rental of Residential Property Act* (the "*Former Act*") governed residential rent increases from January 18, 1989 to April 7, 2023. The Tenant is alleging that the former owner breached the *Former Act* by unlawfully increasing the Unit's rent by \$100.00 on September 15, 2019.

[73] In Order LR19-15 the Commission stated the following regarding rent increases under the *Former Act*:

"In Prince Edward Island, the Rental of Residential Property Act (the "Act") provides for a system of rent control whereby rent runs with the residential unit. When a lessee surrenders possession of that unit to the lessor, that rate of rent still remains fixed to that unit. This rent applies to a subsequent lessee even if the unit has been vacant between the tenancies. Any agreement as to the amount of rent reached between lessor and lessee is null and void to the extent that it runs contrary to the rent control provisions of the Act.

To balance out the rigours of rent control, Part IV of the Act sets out the process whereby rent increases may lawfully be made. If a lessor raises the rent of a unit without first following the process set out in Part IV of the Act, such an increase is illegal.

As there is no evidence that this rental increase was approved under Part IV of the Act, the Commission finds that the Appellant illegally increased the rent of 39 Rankin Court from \$800.00 per month to \$1500.00.

Both the Appellant and [Mr. W] pleaded lack of knowledge as to the quantum of the previous rent and lack of familiarity as to the requirements of the Act. [Mr. W.'s] testimony appeared to deflect blame to others. Lack of familiarity of the Act does not in any way mitigate the requirements of the Act."

[74] I note that in Order LR20-26 the Commission stated:

"The Commission finds that [the landlord] did have an obligation to apply to the Office of the Director in order to raise the rent for the Premises beyond the annual allowable amount, notwithstanding the absence of a rental agreement."

[75] Under the *Former Act*, when a tenant vacated a rental unit the rent remained the same until it was increased in accordance with sections 21 to 23. Worded another way, the rent that a landlord could charge was tied to the rental unit itself and not the person living in the unit, even when the ownership of the unit changed. Landlords were not permitted to increase a unit's rent above the allowable percentage just because a tenant moved out.

[76] The law that rent is tied to the Unit has continued under section 47 of the *Act*, which states:

- (1) A landlord shall not increase rent except in accordance with this Part.*
- (2) The obligations of a landlord under this Part run with the rental unit and not the tenant.*

[77] I find that the Tenant has provided insufficient evidence to support the unlawful rent increase claim. The Tenant did not provide the Rental Office with objective evidence such as the Niece's rent receipts, bank records, or written correspondence between the Niece and the former owner to substantiate the claimed unlawful rent increase.

[78] Further, the Tenant had a duty to mitigate (reduce) losses under the *Former Act* (see Commission Order LR21-35) and the *Act* (see Order LR25-32). Even if the Tenant established that an unlawful rent increase occurred, it would need to be determined whether the Tenant engaged in sufficient efforts to reduce her losses. Tenant mitigation is of particular importance when there has been a change in ownership.

[79] As a result, the Tenant's compensation claim has not been established.

CONCLUSION

[80] The Notices are invalid and the tenancy agreement will continue.

[81] The Tenant has not established the unlawful rent increase compensation claim.

IT IS THEREFORE ORDERED THAT

1. The Notices are invalid and the tenancy agreement will continue.
2. The Tenant has not established an unlawful rent increase compensation claim.

DATED at Charlottetown, Prince Edward Island, this 5th day of May, 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.