



# A Guide for Landlords

## Renting on PEI



# Contents

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<b>Introduction</b>	<b>3</b>
<b>PEI Rental Law</b>	<b>4</b>
<b>Preparing a Unit for the Rental Market</b>	<b>10</b>
<b>Inspections</b>	<b>13</b>
<b>Finding a Tenant</b>	<b>15</b>
<b>Tenancy Agreements</b>	<b>20</b>
<b>Buying a Property that Already has Tenants</b>	<b>25</b>
<b>Security Deposits</b>	<b>27</b>
<b>Privacy</b>	<b>31</b>
<b>Resolving Tenants' Complaints</b>	<b>33</b>
<b>Rent Increases</b>	<b>35</b>
<b>Ending a Tenancy Agreement</b>	<b>38</b>
<b>Subletting and Assigning</b>	<b>42</b>
<b>Evictions</b>	<b>44</b>
<b>Other Types of Evictions</b>	<b>48</b>
<b>Glossary</b>	<b>52</b>
<b>Support Services</b>	<b>56</b>
<b>More Resources</b>	<b>58</b>

# Introduction

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This publication is for landlords and property managers of residential rental properties, including apartments, condominiums, and houses. It explains your rights and responsibilities as a landlord or property manager. You may also find this publication helpful if you are thinking of renting out a property or buying a rental property.

This publication is not legal advice, and it does not replace a lawyer's guidance.

This publication was made in collaboration with the Residential Tenancy Office of Prince Edward Island.

## About Us

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Renting PEI helps PEI tenants and landlords with legal information, referrals, and support during the rental hearing process. We also offer workshops about tenants' and landlords' rights and responsibilities.

Renting PEI is a project of Community Legal Information. Renting PEI is funded by the PEI Department of Housing, Land and Communities.

### Renting PEI

-  [www.rentingpei.ca](http://www.rentingpei.ca)
-  [renting@legalinfopei.ca](mailto:renting@legalinfopei.ca)
-  902-940-5368

### Community Legal Information

-  [www.legalinfopei.ca](http://www.legalinfopei.ca)
-  [info@legalinfopei.ca](mailto:info@legalinfopei.ca)
-  902-892-0853



**This publication is not legal advice, and it does not replace a lawyer's guidance.**

### Renting PEI



### Community Legal Information





# PEI Rental Law

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## What are the basics of rental law?

A **landlord** is the owner of a rental property. A landlord can also mean a person who represents the landlord or helps them with their responsibilities. This person is called an agent.

A **property manager** is a type of agent that works for a landlord. The property manager takes care of and manages rental units. A property manager may be the main person a tenant communicates with. A landlord may give the tenant a property manager's name and phone number and ask the tenant to communicate with them. Even if there is a property manager, landlords must still give their own name and address to tenants in writing.

A **rental unit** is a building or a part of a building that a tenant rents from a landlord to live in. This includes houses, apartments, suites, or a room. A rental unit is also called a 'residential premise.'

A **tenant** is a person who rents a rental unit.

A **tenancy agreement** is a legal agreement between a landlord and a tenant with required conditions. The landlord is responsible for providing the tenant with a written tenancy agreement.

A **lease** is a written tenancy agreement.

## To whom does the *Residential Tenancy Act* apply?

The law that applies to most residential tenancy agreements on PEI is the *Residential Tenancy Act* and its *Regulations*. In this publication, the *Residential Tenancy Act* is called ‘the *Act*’.

The *Act* and its *Regulations* explain the rights and responsibilities of landlords and tenants. They also explain what you or the tenant can do if one of you isn’t following the law.

The *Act* covers most rental housing but does not apply to:

- Housing co-operatives
- University or college residences
- Community care facilities and long-term care facilities
- Facilities that provide therapy or rehab services
- Facilities that provide temporary shelter, such as transition houses
- Group homes
- Short-term tourism rentals where the renter stays for less than two months
- Commercial rentals

If you are not sure if your rental property is covered under the *Act*, contact the Rental Office.

### Rental Office

- [www.peirentaloffice.ca](http://www.peirentaloffice.ca)
- [askrental@peirentaloffice.ca](mailto:askrental@peirentaloffice.ca)
- 902-368-7878

Rental Office



## Other Important Laws

Other laws that may impact your rights and responsibilities as a landlord are:

- *The Public Health Act* and its *Rental Accommodation Regulations*
- *The National Building Code of Canada*
- *The Fire Prevention Act*
- *The PEI Human Rights Act*
- *The PEI Tourism Industry Act*
- *The Cannabis Control Act*
- Local municipal zoning bylaws or official plans

Talk to a lawyer if you are unsure how these laws may apply to you. You can find all provincial *Acts* and *Regulations* on the [Government of PEI's website](https://www.princeedwardisland.ca/en/legislation/all/all/a).

### Statutes and Regulations

 [www.princeedwardisland.ca/en/legislation/all/all/a](https://www.princeedwardisland.ca/en/legislation/all/all/a)

## What does the Rental Office do?

The Residential Tenancy Office is referred to as the 'Rental Office' in this publication.

The **Rental Office** resolves disputes between PEI tenants and landlords. It also provides information about tenants' and landlords' rights and responsibilities.

**Government of PEI -  
Statutes and  
Regulations**



The Rental Office:

- Has an administrative tribunal (Rental Court) that holds hearings between tenants and landlords.
- Gives orders about rental disputes.

A **hearing** is a formal meeting about an application where a Rental Officer decides the case. An **order** is a formal written decision made by a Rental Officer after the case is heard.

The Rental Office only deals with residential rentals covered by the *Residential Tenancy Act*. The Rental Office may not be able to help you if your rental unit is not covered by the *Residential Tenancy Act*.

The Rental Office is part of the Island Regulatory and Appeals Commission (IRAC). The **Island Regulatory and Appeals Commission** is a quasi-judicial tribunal that has legal decision-making authority. It is independent of the provincial government. IRAC is also responsible for setting gas prices and hearing appeals for provincial planning, tax, and rental decisions.

### **Island Regulatory and Appeals Commission**

- 📍 [www.ircac.pe.ca](http://www.ircac.pe.ca)
- ✉ [appealinquiries@ircac.pe.ca](mailto:appealinquiries@ircac.pe.ca)
- ☎ 902-892-3501

## **How can the Rental Office help me?**

If you have an issue with your rental unit, or if the tenant is not meeting their legal responsibilities, you can ask the Rental Office to get involved. The Rental Office responds to phone calls, emails and walk in clients.



**Island Regulatory and  
Appeals Commission**





To start the process, file an official form with the Rental Office explaining the issue. You can find the forms on the [Rental Office's website](#) and at IRAC's office. A form can either be a notice or an application.

## What is a notice?

A **notice** is a document that informs of a change in the tenancy agreement. A landlord or tenant can send a notice.

Notices can be about:

- An eviction
- A tenant ending the lease
- A new landlord
- An allowable rent increase

## What is an application?

An **application** is a document that asks the Rental Office to settle a dispute. A landlord or tenant can file an application with the Rental Office.

If you or the tenant file an application with the Rental Office:

- You must give the tenant a copy of the application within five days of filing it with the Rental Office.
- The Rental Office may try to work with you and the tenant to resolve the issue without a hearing.



- The Rental Office may hold a hearing. During a hearing, you must present evidence to support your claim, and the tenant can do the same. An employee of the Rental Office called a Rental Officer, will oversee the hearing, hear the evidence, decide the issue, and provide a written decision called an order.
- If you or the tenant disagree with the Rental Officer's decision about your case, you can file an appeal with IRAC. An **appeal** is when you ask IRAC to review the Rental Officer's order. To start the appeal process, you must file a Notice of Appeal to IRAC within a set period. The Rental Office's order will tell you the set period.

## How do I serve a notice or application?

To **serve** a document means delivering a legal document to someone. Notices go directly to the landlord or tenant, not the Rental Office. They can be delivered by mail, e-mail, or in-person. A landlord can also post a notice on a tenant's door.

Applications can be sent to the Rental Office by mail, email or in-person delivery. If a landlord or tenant files an application with the Rental Office, they must serve the other party a copy within five days of making the application. This copy can be sent by mail or email, or it can be delivered in person.

For more information, contact the Rental Office.

### Rental Office

- [www.peirentaloffice.ca](http://www.peirentaloffice.ca)
- [askrental@peirentaloffice.ca](mailto:askrental@peirentaloffice.ca)
- 902-368-7878

### Rental Office



# Preparing a Unit for the Rental Market

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## What are the minimum requirements for a rental unit?

Landlords are responsible for ensuring the rental unit meets certain requirements.

The rental unit must:

- Be safe to live in.
- Be kept in a good state of repair.
- Meet minimum requirements under the *Public Health Act Rental Accommodation Regulations*.

### Space

- Sleeping area: at least 50 square feet per tenant.
- Living area: at least 80 square feet.
- Ceilings: at least 7 feet, 6 inches high.
- No room may be less than 7 feet wide unless it is a kitchenette or bathroom.

## Ventilation

Every bathroom or room with a toilet must be ventilated by at least one of the following:

- A window opening directly to the outside air.
- A window opening directly into a vent shaft that extends outside of the unit.
- A duct of non-flammable material extending through the roof.
- A ventilating skylight.
- Mechanical ventilation approved by a public health official.

## Heating

All heating equipment must work properly, be in good condition, and be reasonably efficient. If you are not sure if your unit meets these requirements, you can request a free inspection by the [Department of Health and Wellness](#).

If you provide heat and you control the heat, you must make sure that the heat is at least 65 °F / 18.3 °C in the unit.

## Lighting

Every livable room in the unit must have at least one window that opens to the outside.

Any public hallways in a building with three or more units must be lit 24 hours every day by natural or artificial light.

## Water

The rental unit must have hot and cold water with adequate pressure.



Department of  
Health & Wellness





## Other Requirements

The rental unit must be:

- Weatherproof (free from rain or snow).
- Damp-proof (free from dampness).
- Vermin-proof (no rodents or insects can get in).

The rental unit must have at least 48 cubic feet of food storage.

There are many other standards to consider. These are listed in the *Public Health Act Rental Accommodation Regulations*. For more information, contact Environmental Health.

## Department of Health and Wellness

✉ envhealth@ihis.org

☎ 902-368-4970; 1-800-958-6400

## What if the rental unit doesn't meet the minimum standards?

If the rental unit doesn't meet the minimum standards, the tenant may:

- Ask you to repair the unit.
- Contact Environmental Health and schedule an inspection.
- File a [Form 2A - Tenant Application to Determine Dispute](#) with the Rental Office to ask that the landlord repair the unit.

Rental Office - Forms



## **What amount of rent do I charge for a new rental unit that has never been rented before?**

If you are renting a brand-new unit which has never been rented before you may charge any amount of rent the tenant agrees to pay. Once you enter into your first tenancy agreement, you must follow the province's rent increase rules.

Information about rent increases is on page 35.

## **Inspections**

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### **When should I inspect the rental unit?**

You are legally required to inspect the rental unit with the tenant before they move in and before they move out.

Before the tenant moves in, inspect the unit carefully with them. Inspecting the unit with your tenant ensures you both agree on any pre-existing damage. This may protect you later if the tenant causes damage while living in the unit.

You must provide the tenant with two reasonable opportunities to do the inspection.

During the inspection:

- Look at the condition of the walls, floors, counters, appliances, and anything else in the rental unit.
- Document any damage in a notebook or an electronic file. Consider taking photos and videos.
- Complete the inspection report using a [Form 5 - Landlord Condition Inspection Report](#). You and the tenant should both sign off on the report.

You are responsible for providing and filling out the inspection report. You must give the tenant a copy as soon as possible.

It is a good idea to inspect the unit before the tenant's official move-out time. You can then give the tenant time to do any cleaning or fix the damage that needs to be done before the final inspection.

On the day the tenant moves out, you and the tenant must do a final inspection of the rental unit using [Form 5](#). You can use the notes and photos from the first inspection from when they moved in as a reference. Note any damage the tenant caused on the form.

## Rental Office - Forms



# Finding a Tenant

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## What are my obligations?

Everyone has the right to equal access to housing without discrimination. **Discrimination** means treating someone unfairly because of their identity, beliefs, or background. The PEI *Human Rights Act* protects people from discrimination.

You can't deny someone a rental unit or treat a tenant unfairly because of their:

- Age
- Disability (including having an addiction)
- Colour, race, ethnic or national origin
- Political belief
- Creed or religion
- Sexual orientation
- Family or marital status
- Sex
- Gender identity
- Source of income (including being on social assistance or employment insurance)
- Gender expression

You also can't discriminate against someone who filed a human rights complaint in the past.

Some examples of possible discrimination include:

- Advertising a building as "seniors-only."
- Charging extra rent to someone who has a service animal.
- Refusing to rent to people who have children or who are expecting a child.
- Refusing to rent to someone based on where they get their income.





## Can I refuse to rent to someone with a service animal?

No. Even if your rental unit is pet-free, you can't refuse to rent to someone because they have a service animal.

A **service animal** is an animal trained to help a person with a disability. A service animal usually wears a harness or collar, identifying them as a service animal. The owner of a service animal may have a letter or card from a recognized training organization identifying the animal as a service animal.

A tenant may not tell you that they have a service animal before you agree to rent a unit to them. If you agree to rent a unit to a tenant and then learn that they have a service animal, you can't refuse to rent to them or terminate the tenancy agreement because they have a service animal.

## Can I ask about my tenant's service animal?

You can ask:

- If the animal is trained to help the tenant with a disability.
- What help the animal is trained to give.

You cannot:


- Ask questions specifically about your tenant's disability.
- Require the service animal to demonstrate tasks they would do to help the tenant.




If the animal is clearly marked as a service animal and is behaving appropriately, the tenant should not have to provide you with confirmation that it is a service animal.

For more information about service animals, read the [Service Animal Fact Sheet](#) or contact the PEI Human Rights Commission.

### **PEI Human Rights Commission**

 [www.peihumanrights.ca](http://www.peihumanrights.ca)

 [contact@peihumanrights.ca](mailto:contact@peihumanrights.ca)

 902-368-4180

## **What personal information can I collect from a tenant?**

The *Personal Information Protection and Electronic Documents Act (PIPEDA)* covers tenants' personal information.

When you ask a tenant or potential tenant for personal information:

- Explain why you need it.
- Explain how you will store it.
- Identify any third parties you will share the information with.
- Explain how you plan to protect the information.

**PEI Human Rights  
Commission**



You must:

- Have a tenant's consent when you collect, use, or share their personal information.
- Tell the tenant why you are collecting their personal information.
- Let the tenant access the personal information you have about them. Tenants may challenge the accuracy of any information they do not think is correct.
- Only use the tenant's personal information for the purposes it was collected for.
- Delete the information when it is no longer needed.
- Protect your tenants' personal information.

## **Can I run a credit check on a potential tenant?**

Yes, you can run a credit check on a potential tenant to get information about their ability to pay the rent. You must have the tenant's consent to share their personal information with any third party, including with a credit reporting agency, for a credit check.

The tenant may say no or suggest another way of showing they are able to pay the rent.

For a credit check, you need your tenant's:

- Name
- Address
- Date of birth

## Can I require the tenant give me their social insurance number (SIN)?

No. A social insurance number (SIN) is a confidential number, and you can't require a tenant to provide their SIN.


If you do ask a tenant for their SIN, the tenant may:

- Refuse to give you their SIN, or
- File a complaint with the Office of the Privacy Commissioner of Canada.

For more information, visit the Office of the Privacy Commissioner of Canada's website.

### Office of the Privacy Commissioner of Canada

 [www.priv.gc.ca](http://www.priv.gc.ca)

 1-800-282-1376

Office of the Privacy  
Commissioner of Canada



# Tenancy Agreements

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A **tenancy agreement** is a legal contract between a tenant and a landlord. Tenancy agreements were previously called rental agreements. The landlord is responsible for providing the tenant with a written tenancy agreement. In a tenancy agreement, you and the tenant agree to follow a list of rules called conditions.

A **lease** is a written tenancy agreement.

The *Act* has statutory conditions that you and the tenant must follow. Some of these conditions are written in the Standard Tenancy Agreement. You can find the Standard Tenancy Agreement on the [Rental Office's website](#).

**Statutory conditions** are conditions that apply to all tenancy agreements. They apply even if they are not written in a lease. For example, the tenant is responsible for keeping the unit clean, and the landlord is responsible for keeping the unit in a good state of repair.

## What if my tenant and I didn't sign a lease?

The *Residential Tenancy Act* requires the landlord to provide a written lease. However, many people do not have a written lease. The *Act* still recognizes verbal or implied tenancy agreements. Even if you do not have a written lease, you are still protected by the *Act*, and statutory conditions still apply.

You can use [Form 1 – Standard Form of Tenancy Agreement](#) to create your own lease.



## What are the types of tenancy agreements?

There are fixed-term tenancy agreements and periodic tenancy agreements.

A **fixed-term tenancy agreement** is an agreement with a fixed start date and end date. The most common length of time is one year, but it can be shorter or longer. When the initial term ends, the tenancy agreement automatically becomes a month-to-month agreement unless:

- You and your tenant agree to a new fixed term.
- You both agreed in the lease to sign a new fixed term once the first lease ends.
- One of you takes legal steps to end the tenancy agreement.

A **periodic tenancy agreement** does not include an end date. A periodic tenancy agreement can be month-to-month, week-to-week, or any other period. The agreement continues until:

- The tenant gives you notice that they are leaving.
- You evict the tenant for a valid reason. An example of a valid reason is if the tenant does not pay the rent.

## What must be included in a tenancy agreement?

A tenancy agreement must include:

- Your first and last name, address, and contact information.
- Your tenant's first and last name.
- The property manager's name, address, and contact information (if your rental has a property manager).
- The address of the rental unit.
- The date your agreement begins.
- The date your agreement ends (if it is a fixed-term agreement).
- If your tenant will be required to sign a new fixed-term agreement once the first term ends or not (if it is a fixed-term agreement).
- The rent amount, if it will be paid weekly or monthly, and on what date.
- The amount of rent that was charged under the previous tenant (if applicable).
- The services and facilities that are included in the rent.
- The services and facilities your tenant is responsible for (for example, if they must pay for heat).
- The services and facilities you provided to the last tenant (if applicable).
- The security deposit amount (if you require one).
- Your signature, the tenant's signature, and the date you both signed the agreement.

## Should services and facilities be included in the rent?

Services and facilities are utilities like heat, water, electricity, and internet. Services can also mean other things that a landlord provides to a tenant, like snow-clearing or parking.

You may choose to include some services or facilities in the rent or not. Services and facilities included in the rent should be written in the tenancy agreement.

The tenancy agreement should include a section that lists which services and utilities were included in the previous tenant's rent.

Changing which services and utilities that are included in the rent could be considered an illegal rent increase.

## Can I add conditions to a tenancy agreement?

You and the tenant may add conditions to your agreement before you both sign the agreement. The conditions that you and the tenant add to your agreement can't contradict the *Act*. If any condition of your agreement contradicts the *Act* or any other law, that condition is not enforceable.

You may also add conditions like 'no pets' or 'no smoking inside the unit' to a tenancy agreement. A 'no pets' condition does not include service animals. For more information about service animals, see page 16.








## How can I change the conditions of the tenancy agreement after it is signed?

You or the tenant cannot simply change the conditions of the tenancy agreement after it is signed. If you or the tenant would like to change a condition of the tenancy agreement, you must both agree to the change. It is a good idea to keep a written record of any changes you and your tenant make to the agreement.

### Rental Office

-  [www.peirentaloffice.ca](http://www.peirentaloffice.ca)
-  [askrental@peirentaloffice.ca](mailto:askrental@peirentaloffice.ca)
-  902-368-7878

## Can I require my tenant to have tenant insurance?

Yes, you may require the tenant to get tenant insurance before they rent from you. **Tenant insurance** is insurance a tenant buys that protects them and their belongings in the case of a flood, fire, or theft.

Property or **homeowner's insurance** is insurance that the landlord gets that protects the building itself. It does not protect tenants' personal belongings.

Most property insurance policies cover your rental property but will not cover tenants' belongings.

Rental Office - Forms





# Buying a Property that Already has Tenants

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You may become a landlord if you buy a unit that has tenants living in it. You must follow certain rules when you buy a rental property that is already being rented.

When you become a landlord, you must give your tenants a notice with:

- Your legal name, address, and contact information.
- The amount of the tenant's security deposit and the amount of interest that it has earned up to that date.

## How do I get a security deposit if the property was rented when I bought it?

Ask the seller if the tenant paid a security deposit. If they did, the seller should transfer the deposit to you. The seller should give your lawyer or real estate agent this information.

For more information about security deposits, see page 27.

## Must I follow a pre-existing tenancy agreement with tenants?

Yes. If you buy a rental unit that tenants are living in, you must continue with any pre-existing tenancy agreements the tenant and the former landlord had.



**See page 44 for more information about evictions.**

## **What if I want to move myself or a family member into the property?**

If you are buying a rental property and want to move into a unit when the sale is complete, the seller can give the tenant a [Form 4B - Eviction Notice](#) on your behalf.

The buyer must provide a signed affidavit that will be attached to the notice. An **affidavit** is a written, sworn, and signed statement. The affidavit must swear that the buyer or their family agrees to live in the unit for at least a year.

The seller may only evict a tenant if:

- The property has fewer than three rental units (for example, a family home or duplex), and
- The buyer or their close family member wants to move in.

A close family member is:

- Your spouse
- Your children
- Your parents or your spouse's parents
- A caregiver

The seller must give the tenants at least:

- Until the end of the tenant's fixed-term lease, if there is one, and
- Two months' notice if the buyer is moving in, or
- Four months' notice if the buyer's close family member is moving in.

**Rental Office - Forms**



# Security Deposits

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A **security deposit** is money paid by a tenant and held in trust by the landlord during the tenancy agreement.

A security deposit must be:

- No more than one month's rent.
- Held in trust until the tenant moves out.

For example, if the rent is \$750 a month, the maximum security deposit you can ask for is \$750. If you have a weekly tenancy agreement, it cannot be more than one week's rent. You cannot ask the tenant to pay a security deposit before signing the tenancy agreement.

You cannot ask for:

- Key money
- A holding deposit
- A pet deposit
- Both first and last month's rent






## How should I return my tenant's security deposit?

At the end of the tenant's stay, you should return their security deposit (plus interest) if they have:

- Paid their rent and bills in full.
- Cleaned the apartment adequately.
- Maintained the condition of the property.

Use the Rental Office's calculator to calculate how much the interest should be.

### Interest Rate Calculator

 [www.peirentaloffice.ca/security-deposits/interest-rate-calculator](http://www.peirentaloffice.ca/security-deposits/interest-rate-calculator)

## When can I keep the security deposit?

You can keep all or part of your security deposit to recover any losses. Losses can be things like unpaid rent, cleaning bills, or repairs. You cannot keep the security deposit to repair normal wear and tear. **Normal wear and tear** is damage that is expected over time as a result of living in the unit.

Interest Rate Calculator



## **What steps do I take to keep all or part of the security deposit?**

Talk to your tenant about needed repairs and how much of the security deposit you want to keep. If your tenant agrees to let you keep a part or all of the security deposit, you may not need to involve the Rental Office. It is a good idea to get any agreement in writing.

If your tenant does not agree to let you keep the security deposit, you can ask the Rental Office for permission. To do this, you must:

- Apply to the Rental Office to claim all or part of the deposit. You must apply within 15 days of the day your lease ends. For example, if the lease ends on the last day of the month, you have until the 15th of the month to make a claim.
- Give the tenant a copy of the application within five days of applying.

The Rental Office will:

- Hold a hearing to see if your claim is legitimate.
- Invite you and the tenant to attend the hearing by sending a notice of hearing.

You and the tenant will get a chance to testify and give evidence about the security deposit.

In the hearing, you can:

- Use photos, videos, or an inspection report as evidence.
- Invite witnesses to give evidence to support your case.

The Rental Office will decide and issue an order to return the security deposit in whole, in part, or not at all.

You cannot keep the security deposit without permission from the PEI Rental Office unless the tenant gives you written permission.

## **What happens if I keep my tenant's security deposit without permission?**

If you do not return the tenant's security deposit or make an official claim to keep it within 15 days after the date the tenancy ends or is assigned, the tenant may file a [Form 2A](#) with the Rental Office. The Rental Office will schedule a hearing.

If the Rental Office finds that you kept the tenant's security deposit without filing an application, they may order you to pay the tenant double the amount of the security deposit.

## **What other fees am I allowed to charge?**

You can charge a fee for:

- The cost of additional keys requested by the tenant.
- The amount of money used to cover the cost of a tenant's bounced check.
- A fee for services or facilities requested by the tenant that are not in the tenancy agreement.

# Privacy

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## What notice must I give before entering the rental unit?

Tenants have the right to privacy in their rental units. If you want to enter the unit:

- You must give the tenant written notice at least 24 hours before entering.
- The notice must include the date and time you intend to enter the unit.
- The entry must be between the hours of 9 a.m. and 9 p.m.
- The only exception is in an emergency. For example, a water leak.

You can give permission to a real-estate agent to enter the unit to appraise it or show it to potential buyers.

You must give your tenant:

- Written permission on behalf of the agent, and
- 24 hours written notice.

If you enter a rental unit without giving the tenant proper notice, the tenant has the right to file a complaint with the Rental Office.





## May I take photos or videos of the rental unit while a tenant is living there?

Yes, but only with the tenant's consent. You must tell the tenant how you will use the photos or videos. For example, if you need pictures to sell or rent the property.


If you own an apartment building, you are allowed to install surveillance cameras in common spaces, inside or outside the building. You must post signs and provide tenants with policies on how you will use the recordings. The camera must not capture the inside of a tenant's apartment.

## Where do I find more information about privacy?

Contact the Office of the Privacy Commissioner of Canada or read their publications [Privacy in the Landlord and Tenant Relationship](#) and [10 Privacy Tips for the Rental Housing Sector](#).

### Office of the Privacy Commissioner of Canada

 [www.priv.gc.ca](http://www.priv.gc.ca)

 1-800-282-1376





# Resolving Tenants' Complaints

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Landlords are responsible for maintaining the rental unit and ensuring that tenants' rights are respected. If a tenant has a problem with another tenant or with the unit, you are often the first person they will contact.

Tenants have the right to a safe home and quiet enjoyment of the rental unit. **Quiet enjoyment** means they have the right to live without unreasonable disruptions.

If a tenant tells you about a problem with the rental unit or complains about another tenant renting from you, you are responsible for resolving the issue within a reasonable time.

## What are common tenant complaints?

A tenant may ask you for help if:

- They discover mice, bedbugs, cockroaches, silverfish, or other pests in the unit.
- One of the appliances included in the tenancy agreement (stove, dishwasher, etc.) stops working.
- They discover mould in the unit.
- There is a leak or draft in the unit.
- The heat or hot water stops working.
- Another tenant is smoking in a non-smoking building.
- Another tenant is noisy.
- Another tenant is harassing them.

## **What if I don't resolve the problem?**

As the landlord, you are responsible for taking action to resolve these problems. If you are not fulfilling your responsibilities, the tenant may apply to the Rental Office. They may ask for a return of rent, to end the lease early, or for an order requiring you to act.

## **What if a tenant is causing the problem?**

If a tenant is not meeting their responsibilities or is infringing on another tenant's rights, you may:

- Talk to them about the issue.
- Give them a written warning.
- Serve them with an eviction notice.
- Apply to the Rental Office for an order to end the tenancy agreement.

# Rent Increases

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## What are the rules for increasing rent?

Landlords can only increase a unit's rent once every 12 months.

If you want to increase a tenant's rent, you must:

- Give the tenant three months' written notice of any rent increase using [Form 8 - Tenant Notice of Annual Allowable Rent Increase](#).
- Only increase the rent once in a 12-month period, even if a new tenant moves in.
- Only increase the rent by the allowable amount or less. To see this year's allowable amount, visit the [Rental Office's website](#).
- Apply to the Rental Office for permission to increase the rent beyond the allowable amount.

## What is the maximum allowable increase?

Each year, the Rental Office sets a maximum allowable rent increase. Landlords may increase rent once a year according to the allowable rent increase. For example, in 2024, landlords on PEI are allowed to increase rent by 3% on all rental units, heated or unheated.

This means if you are renting out the unit for \$1,000 monthly in 2023, you could only increase rent to \$1,030 in 2024 as the allowable increase. You can't increase the rent again for 12 months. This applies even if a new tenant moves in.



Rental Office - Forms



Rental Office Allowable  
Rent Increases





The increase is based on:

- Changes to housing-related expenses
- The Consumer Price Index
- Written comments from landlords and tenants

## How do I increase rent above the allowable amount?

If you want to increase the rent more than the allowable amount, you must apply to the Rental Office for permission. For 2024, applications beyond the allowable amount are capped at an additional 3%.

To apply for a rent increase more than the allowable amount, you must Apply to the Rental Office using [Form 9 - Landlord Application to Request Additional Rent Increase](#). The Rental Office will schedule a hearing to hear your case. Make sure to give your tenant a copy of the application within five days of applying.

Before the hearing, you must submit a [Form 10 - Landlord Statement of Income and Expenses](#). The Form 10 is used to share information about your income and expenses for your rental unit. This information will be used as evidence during your hearing. You will need to provide information such as:

- Rental income
- Mortgage expenses
- Heat, water, sewage, and electrical expenses
- Maintenance and management fees
- Capital expenses for the property

Rental Office - Forms



During the hearing, the Rental Office will consider:

- If the rent increase is necessary for you not to lose money.
- Your increased operating costs or large expenses.
- Your expectation to have a reasonable return on your investment.
- The date and amount of the last rent increase.

The Rental Office may approve the rent increase, approve part of the increase, or deny the increase. You or the tenant have the right to appeal the decision within 20 calendar days.

You can't charge a tenant the increased rent while you are going through this process. You must wait for the Rental Office to make a decision.

If you increase the rent by more than the allowable amount and you do not apply to the Rental Office for approval, a tenant may file for a return of rent and an adjustment of rent.

## **May I increase the rent if the unit is vacant?**

No. Rent is tied to the unit, not to the tenant or the landlord. This means you must apply to the Rental Office for permission to raise the rent before a new tenant moves in. Even if you renovate the unit while it is vacant, you must apply to the Rental Office for permission to increase rent by more than the allowable amount.

If you purchased a vacant rental unit from another landlord, you must find out what the rent was for each tenant. You can't increase the rent by more than the allowable amount without applying to the Rental Office. The previous landlord should give this information to your real estate agent or lawyer.

If you increase the rent by more than the allowable amount and you do not apply to the Rental Office for permission, the next tenant may file for a return of rent and an adjustment of rent.

## **Ending a Tenancy Agreement**

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### **How does a tenant end a periodic agreement?**

If a tenant wants to end their periodic tenancy agreement, they must notify you in writing. Depending on the tenancy agreement, your tenant must notify you at least:

- Seven days in advance for a week-to-week agreement, or
- One month in advance for a month-to-month agreement.

A tenant must always give notice before the day the rent is due. For example, if the rent is due on the first of the month, and they will be moving out on April 30th, they must give you notice on March 31st or before.

If they have a week-to-week tenancy agreement, the tenant must give you one week's notice following the same rules.

## **What happens at the end of a fixed-term agreement?**

If you and your tenant are in a fixed-term tenancy agreement, they are expected to pay rent until the end date, unless you agree to let them out of the agreement.

At the end of the fixed term, the agreement becomes a month-to-month agreement with the same conditions if it is not ended or renewed.

If a tenant wants to end a fixed-term agreement and move out at the end of the fixed term, they must give you written notice at least one month before the end of the fixed term.

You cannot require the tenant to sign a new fixed-term tenancy agreement after the first agreement expires unless you both agreed to it in your lease.

Fixed-term agreements become month-to-month agreements when they end, unless:

- The unit is a short-term tourism rental registered under the *Tourism Industry Act*.
- The lease agreement includes a clause requiring the tenant to renew the lease before their fixed term ends.





## **Can a tenant move out before a fixed-term agreement has ended?**

Generally, your tenant cannot move out of their unit before the fixed-term agreement ends. However, there are exceptions to this rule. Your tenant may be able to end your fixed-term agreement early if:

- You and your tenant both agree to breaking the fixed-term agreement.
- Your tenant assigns their lease to another person.

See the “Subletting and Assigning” section for more information on page 42.

In some cases, a tenant may apply to the Rental Office to end a fixed-term tenancy agreement early. The Rental Office only grants applications to end leases early under extraordinary circumstances.

Some reasons a tenant might be able to break a fixed-term lease early could be:

- A landlord refuses to fix a problem that makes it difficult or impossible for the tenant to live in the rental unit.
- A tenant is a victim of family violence.
- A landlord has discriminated against a tenant.
- A tenant is no longer able to stay in the unit due to illness, disability, or for other health reasons.



## What do I do if my tenant leaves without giving notice?

If your tenant leaves without giving you written notice, it is your responsibility to try to rent the property again as soon as possible.

If you can't find a new tenant and lose money because the unit is vacant, you can use [Form 2B - Landlord Application to Determine Dispute](#) to ask the Rental Office that the previous tenant compensate you.

During the hearing, a Rental Officer will ask you for evidence that you have been trying to find a new tenant. Evidence may include an ad for the rental unit, a picture of a 'For Rent' sign outside of the unit, or any tenant applications you have received.

If the Rental Office finds that you have done all you can do to find another tenant, they may order your former tenant to pay you rent for the period between the day they stopped paying rent and the day you found a new tenant.

If you have not been doing everything you can to rent the unit again, you may not be successful in your claim for rent owing.



# Subletting and Assigning

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## What is subletting?

**Subletting** is when the tenant rents their rental unit or part of their rental unit to another person.

A **subletter** is a person who rents a unit or part of a unit from the original tenant and whose name is not on the lease. The subletter has a tenant-landlord relationship with the original tenant.

Depending on the situation, subletting arrangements may look very different. In some cases, the original tenant may rent out the entire rental unit to a subletter for a set period. In other cases, the original tenant may also choose to live in the house and rent out individual rooms to subletters.

If your tenant wants to sublet their unit, you and the tenant stay in a tenancy agreement. The original tenant should continue to pay you rent. You should continue to hold the damage deposit for the original tenant.

The original tenant is responsible for ensuring the subletter follows the conditions of the tenancy agreement. If the subletter breaks a condition of the tenancy agreement or if the original tenant misses a rent payment, you may serve the original tenant with an eviction notice. If you evict the original tenant, the subletter will also be evicted.

## What is assigning?

**Assigning** is when a new tenant takes over a tenancy agreement. Assigning is also called ‘signing over a lease.’ If the tenant assigns the tenancy agreement to another person, you no longer have an agreement with the original tenant. They don’t have any further responsibility for the unit.

The new tenant will pay you rent. The original tenant should charge the new tenant for the security deposit, and you should keep the original security deposit.

## Does the tenant need my permission to sublet or assign?

Yes, the tenant must get your written permission to sublet or assign their lease. But you can’t say no without good reason. You must be reasonable when deciding to approve the tenant’s request or not and should help your tenant find a replacement if possible.

Some legitimate reasons for denying a sublet/assignment request are:

- If the subletter/assigner or tenant has caused problems for you in the past.
- If the subletter/assigner cannot pay the rent.
- If allowing a subletter/assigner to stay would result in too many people living in the house (according to health and safety standards).

If you deny the tenant’s request to sublet or assign their unit, the tenant may apply to challenge your decision.





# Evictions

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There are two types of evictions:

1. **Eviction for cause** is when a landlord evicts a tenant for breaking the terms of their tenancy agreement.
2. All other evictions are when a landlord evicts a tenant for a specific reason. Reasons could include renovations, demolitions, selling the unit, or the landlord wanting to move into the unit.

The Rental Office treats different types of evictions differently and requires you to give different periods of notice.

Evictions are also sometimes called “notices of termination.”

## Evictions for Cause

You can evict a tenant if they have broken a condition of the tenancy agreement. Reasons could include:

- A tenant does not pay their rent on time or in full.
- A tenant sublets a unit without your permission.
- A tenant disturbs other tenants unnecessarily.
- A tenant breaks any other condition of the tenancy agreement or a condition in the *Act*.

You can give your tenant an eviction notice for cause at any time. You must use [Form 4A - Eviction Notice](#).



## **What happens if my tenant doesn't pay the rent?**

Tenants are responsible for paying rent in full and on time. If a tenant does not pay rent on time, you may serve them with an eviction notice the day after the rent is due.

Once your tenant receives the eviction notice:

- They have 10 days to pay the full amount of rent. If they do, the eviction is voided.
- If they do not pay the rent, they must move out by the date written on the eviction notice.

You must give a tenant at least 20 days to move out from the day you give them the notice.

Your tenant can contest the eviction by applying to the Rental Office within 10 days of receiving the notice.

## **What happens if my tenant breaks a term of the tenancy agreement?**

You can evict a tenant for breaking a condition that they agreed to in the tenancy agreement. For example, if the tenancy agreement does not allow smoking and the tenant smokes in the unit, you can serve them with an eviction notice.

You must give your tenant one month to move out from the day you give them notice. Your tenant must move out by the date written on the eviction notice.

Your tenant can contest the eviction by applying to the Rental Office within 10 days of getting the notice.

## **What if I think there is a high risk of harm to other tenants?**

If you served a tenant with an eviction notice and think there is risk of immediate harm to people or property, you can apply to the Rental Office for an early eviction.

The Rental Office will ask you why you want to evict the tenant early.

If there is an emergency at your rental property, call 911.

## **What if the tenant refuses to leave?**

You can't enforce an eviction yourself. You must request help from the Sheriff's Office to enforce an eviction. The Sheriff's Office will only enforce an eviction if you have an order for delivery of possession from the Rental Office. An order for **delivery of possession** is a court order to return a rental unit to the landlord.

You may apply for an order for delivery of possession if:

- You served a tenant with an eviction notice, and
- The tenant has not challenged the notice, and
- The tenant has not moved out by the eviction date on the notice.

You do not need to apply for an order for delivery of possession if:

- You served a tenant with an eviction notice, and
- The tenant challenged the notice, and
- The Rental Office allowed the eviction, and
- The tenant has moved out by the eviction date on the notice.


Use [Form 2B](#) to apply for an order for delivery of possession. The Rental Office will schedule a hearing. You and the tenant may attend.

The Rental Office may consider:


- If the original eviction notice was valid.
- If you gave the tenant enough notice to move out.
- If the tenant has challenged the eviction notice.
- If you are being honest about your reasons for evicting the tenant.
- Anything else about the eviction.

After the hearing, the Rental Office may issue an order for delivery of possession. Take the order for delivery of possession to the Supreme Court to have it filed. After the order has been filed with the court, you can take it to the Sheriff's Office, and they will enforce the eviction.

### **PEI Supreme Court**

 902-368-6000

### **PEI Sheriff's Office**

 902-368-6050



**Rental Office - Forms**





# Other Types of Evictions

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If your tenant hasn't broken a condition of their tenancy agreement, you can only end your agreement for specific reasons. You must use a [Form 4B](#) for those types of evictions.

After you send the tenant a [Form 4B](#), they can move out any time within the notice period but must give you at least 10 days' notice. This is true even if they are in a fixed-term agreement.

## Own-use evictions

An **own-use eviction** is when a landlord evicts the tenant because they or their family will be moving into the unit.

You can evict a tenant if you or your family will be moving into the unit.

In an own-use eviction, you must:

- Give the tenant at least four months' notice from the day they pay rent.
- Live in the unit for at least a year. If you don't, it could be considered a bad faith eviction.
- Respect the terms of any existing fixed-term agreements. You cannot send a tenant this type of eviction notice before their fixed term ends.
- Compensate the tenant by paying them one month's rent plus eligible moving expenses. You must pay them this before they move out.





The tenant can contest the eviction by applying to the Rental Office within one month of getting the notice.

## **Sale of Unit**

If you are selling a rental unit that is currently being rented, you can only evict the current tenant if the buyer or their close family members want to move into the unit.

If this is the case, you can serve your tenants an eviction notice on behalf of the buyer. A close family member includes the buyer's:

- Spouse
- Children
- Parents
- Spouse's parents
- Caregiver

You can only evict a tenant if the property being sold has fewer than three rental units (for example, a family home or duplex).

In an eviction for sale of a unit:

- You must give the tenant at least two months' notice if the buyer is moving in or four months' notice if a member of the buyer's family is moving in.
- You must respect the terms of any existing fixed-term agreements. You cannot send a tenant this type of eviction notice before their fixed term ends.

- The buyer must sign an affidavit to swear that they or their family will live in the unit for at least a year. If they do not, it could be considered a bad faith eviction. An **affidavit** is a written, sworn, and signed statement that states evidence and facts. You must include the buyer's affidavit with the notice.
- You must compensate the tenant by paying them one month's rent plus eligible moving expenses. You must pay them this before they move out.
- The tenant can apply to contest the eviction within one month of receiving the notice.

## Renovations, Conversions, and Demolitions

If you want to demolish, convert, or renovate a rented unit, you can serve your tenant an eviction notice. You must:

- Have all the necessary building permits approved by the Rental Office before giving the tenant an eviction notice. Use [Form 6 – Landlord Application for Approval for Renovations and Repairs](#).
- Give the tenant at least six months' notice from the day you receive approval from the Rental Office.
- Respect the terms of any existing fixed-term agreements. You cannot send a tenant this type of eviction notice before their fixed term ends.
- Compensate the tenant by paying them one month's rent plus eligible moving expenses. You must pay them this before they move out.

### Rental Office – Forms



The tenant can apply to contest the eviction within one month of receiving the notice.

## Bad Faith Eviction




A **bad faith eviction** is when you evict a tenant for a purpose but do not use the unit for that purpose. For example, evictions for own use, sale of a unit, conversion, or demolition.

If your tenant believes that they were evicted illegally, they may apply to the Rental Office to determine if it was a bad faith eviction or not.

If the Rental Office determines that the tenant was evicted in bad faith, they may order you to compensate the tenant for the eviction. This may include covering moving and storage costs.

If you are unsure if an eviction is illegal or not, contact the Rental Office.

### Rental Office

-  [www.peirentaloffice.ca](http://www.peirentaloffice.ca)
-  [askrental@peirentaloffice.ca](mailto:askrental@peirentaloffice.ca)
-  902-368-7878



Rental Office





# Glossary

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## **Affidavit**

A signed and witnessed statement of facts.

## **Appeal**

Asking the Island Regulatory and Appeals Commission (IRAC) to review an order from the Residential Tenancy Office.

## **Application**

A document that asks the Rental Office to settle a dispute. A landlord or tenant can file an application.

## **Assigning**

When a new tenant takes over a tenancy agreement.

## **Bad faith eviction**

When the landlord evicts a tenant for a purpose but does not use the unit for that purpose. For example, evictions for own use, sale of a unit, conversion, or demolition.

## **Delivery of possession**

A legal order to return a rental unit to the landlord.

## **Discrimination**

Treating someone unfairly because of their identity, beliefs, or background.

## **Eviction for Cause**

When a landlord evicts a tenant for breaking the terms of their tenancy agreement.

## **Fixed-term tenancy agreement**

A rental agreement with a start date and end date.

**Hearing**

A formal meeting about an application where a Rental Officer makes a decision about the case.

**Homeowner's insurance**

Insurance that protects the building itself. It does not protect tenants' personal belongings.

**Island Regulatory and Appeals Commission (IRAC)**

A quasi-judicial tribunal that is independent of the provincial government.

**Landlord**

The owner of a rental property. A landlord can also mean a person who represents the landlord or helps them with their responsibilities. This person is called an agent.

**Lease**

A written tenancy agreement.

**Normal wear and tear**

Damage that is expected over time because of living in a rental unit.

**Notice**

A document that informs of a change in the tenancy agreement. A landlord or tenant can send a notice.

**Order**

A formal document that contains a Rental Officer's binding decision on a case.

**Own use eviction**

When a landlord evicts the tenant because they or their family will be moving into the unit.

**Periodic tenancy agreement**

A tenancy agreement with no end date. It can be month-to-month, week-to-week, or any other period.

**Property manager**

A type of agent who works for the landlord. They take care of and manage a rental property.

**Quiet enjoyment**

A tenant's right to live without unreasonable disruptions.

**Rental Office**

The office that oversees rental issues between tenants and landlords on PEI. The Rental Office is also called the Residential Tenancy Office.

**Rental unit**

A building or a part of a building that a tenant rents from a landlord to live in. A rental unit is also called a 'residential premise.'

**Security deposit**

Money paid by a tenant and held in trust for the tenant by the landlord during the period of the tenancy agreement.

**Serve**

Deliver a legal document to someone. This is usually to their home or to their lawyer.

**Service animal**

An animal trained to help a person with a disability.

**Services and facilities**

Services like utilities, cleaning services, yard-care, or snow-removal.

**Statutory conditions**

Conditions that apply to all tenancy agreements.

**Subletter**

A person who rents a unit or part of a unit from the unit's original tenant, and whose name is not on the lease. A subletter has a landlord-tenant relationship with the original tenant.

**Subletting**

When a tenant rents their rental unit or part of their rental unit to another person.

**Tenancy agreement**

A legal agreement between a landlord and a tenant with required conditions. The agreement can be written, verbal, or implied. It was previously called a rental agreement.

**Tenant**

A person renting a rental unit. A tenant is also called a lessee or renter.

**Tenant insurance**

Insurance a tenant buys that protects them and their belongings.








# Support Services

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## Community Legal Information

-  [www.legalinfopei.ca](http://www.legalinfopei.ca)
-  [info@legalinfopei.ca](mailto:info@legalinfopei.ca)
-  902-892-0853; 1-800-240-9798 (toll-free)




Provides legal information, referrals, publications on legal topics in English and French, public speakers, and presentations on legal topics. This is a free, confidential service. Also offers the Lawyer Referral Service, which provides a short consultation with a lawyer for a modest fee.

## Environmental Health – Rental Accommodations Program

-  [www.princeedwardisland.ca/en/information/health-and-wellness/rental-accommodations-program](http://www.princeedwardisland.ca/en/information/health-and-wellness/rental-accommodations-program)
-  [envhealth@ihis.org](mailto:envhealth@ihis.org)
-  902-368-4970; 1-800-958-6400

A program by the Department of Health and Wellness to protect the health of PEI residents. If a tenant has a health concern about their rental unit, and it hasn't been addressed by their landlord, they can request an inspection through the Rental Accommodations Program.

## Human Rights Commission

-  [www.peihumanrights.ca](http://www.peihumanrights.ca)
-  [contact@peihumanrights.ca](mailto:contact@peihumanrights.ca)
-  902-368-4180; 1-800-237-5031


An independent agency that enforces the *PEI Human Rights Act*. It has an investigation and complaint resolution process.



### **Island Regulatory and Appeals Commission (IRAC)**

 [www.illac.pe.ca](http://www.illac.pe.ca)


 [appealinquiries@illac.pe.ca](mailto:appealinquiries@illac.pe.ca)

 902-892-3501; 1-800-501-6268 (toll-free)

IRAC is a quasi-judicial tribunal that has legal decision-making authority. It is independent of the provincial government. It sets gas prices and hears appeals for provincial planning, tax, and rental decisions.

### **Office of the Privacy Commissioner of Canada**

 [www.priv.gc.ca](http://www.priv.gc.ca)


 1-800-282-1376

Protects privacy and investigates complaints under the *Privacy Act* and the *Personal Information Protection and Electronic Documents Act (PIPEDA)*.

### **The Rental Office/The Residential Tenancy Office**


 [www.peirentaloffice.ca](http://www.peirentaloffice.ca)

 [askrental@peirentaloffice.ca](mailto:askrental@peirentaloffice.ca)

 902-368-7878

The Rental Office resolves disputes between tenants and landlords and offers information about landlord and tenant rights and responsibilities, and the forms for different processes.

## **Renting PEI**

-  [www.rentingpei.ca](http://www.rentingpei.ca)
-  [renting@legalinfopei.ca](mailto:renting@legalinfopei.ca)
-  902-940-5368

We help PEI tenants and landlords by providing legal information, referrals, and support during the rental hearing process. We also offer workshops for tenants and workshops for landlords about their rights and responsibilities.

## **More Resources**

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Community Legal Information also offers these publications:

- *[Renting on PEI – A Guide for Tenants](#)*
- *[Small Claims Court](#)*

CLI also has publications about other legal topics. All publications are free and can be found on the CLI website. Contact CLI for paper copies.

## **Community Legal Information**

-  [www.legalinfopei.ca](http://www.legalinfopei.ca)
-  [info@legalinfopei.ca](mailto:info@legalinfopei.ca)
-  902-892-0853



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