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

Date Issued: **October 30. 2025**
Dockets: **LR25040**
Type: **Rental Appeal**

INDEXED AS: Chao Fang (Ivy) Zhu v. Khaled Alrahal and Safia Alrahal
2025 PEIRAC 56 (CanLII)
Order No: LR25-50

BETWEEN:

Chao Fang (Ivy) Zhu (the "Landlord")

Appellant

AND:

Khaled Alrahal and Safia Alrahal (the "Tenants")

Respondent

ORDER

Panel Members:

Gordon MacFarlane, Commissioner
Cynthia McCardle, Commissioner

Compared and Certified a True Copy

(Sgd.) Michelle Walsh-Doucette

Commission Clerk
Island Regulatory and Appeals Commission

A. INTRODUCTION

1. This appeal and cross-appeal were heard by the Commission on August 27, 2025. The appeal filed by the Landlord asks the Commission to determine whether the Residential Tenancy Office (the "Rental Office") erred in finding that the Landlord must pay the Tenants $1,172.67 by September 30, 2025. The cross-appeal filed by the Tenants asks the Commission to add a specific award for items lost as a result of a cockroach infestation.

B. BACKGROUND

2. This appeal concerns a rental unit located at 5B Dairy Lane, Stratford, PEI (the "Rental Unit"). The Rental Unit is a two-and-a-half bedroom, one-bathroom rental unit forming half of a duplex building ("Residential Property").

3. The Tenants and the former owner of the Residential Property entered into a written monthly tenancy agreement that started around December 1, 2021 ("Tenancy Agreement"). A security deposit of $1,000.00 was paid on November 8, 2021. Rent of $1,184.50 was due on the first day of the month.

4. On April 1, 2024 the Landlord purchased the Residential Property and the Tenancy Agreement continued.

5. On April 26, 2025 the Landlord served the Tenants a first *Form 4(A) Eviction Notice* with an effective date of May 31, 2025 ("First Notice") for an employment relationship ending. The particulars of termination stated: "no."

6. On April 26, 2025 the Landlord served the Tenants a second *Form 4(A) Eviction Notice* with an effective date of May 31, 2025 ("Second Notice"). The Landlord did not select any reasons on the Second Notice. The particulars of termination stated: "no."

7. On May 1, 2025 the Tenants filed a *Form 2(A) Tenant Application to Determine Dispute* ("First Application") with the Rental Office disputing the First Notice and the Second Notice. The Tenants also requested remediation of a cockroach infestation.

8. On May 17, 2025 the Landlord served the Tenants a *Form 4(B) Eviction Notice* with an effective date of September 17, 2025 ("Third Notice") for own use and the Landlord's child use.

9. The Rental Office noted that the earliest vacate date for the Third Notice is September 30, 2025 in order to comply with subsection 62(2) of the *Act*. The Third Notice's vacate date was automatically corrected to September 30, 2025 under section 54.

10. On May 26, 2025 the Tenants filed a second *Form 2(A) Tenant Application to Determine Dispute* ("Second Application") with the Rental Office disputing the Third Notice and also seeking compensation in the amount of $1,700.00.

11. On July 8, 2025 the Tenants, the Landlord and the Landlord's translator joined the teleconference hearing before the Rental Office for determination of the First Application and the Second Application. The parties confirmed that they received the evidence package and that all evidence submitted was included.

12. The Rental Office issued Order LD25-253 on July 14, 2025, which ordered:

> *1. The tenancy will end effective **5:00 p.m. on September 30, 2025**. The Tenants and all occupants will vacate the Unit by this time and date.*
>
> *2. The Landlord must complete the following requirements by July 31, 2025:*
>
> - *A professional pest control company must be contracted within 10 business days of the date of this letter.*
> - *All other units in the building to be assessed by the pest control company for cockroaches. Any affected units must also be treated for cockroaches at the same time.*
> - *Any units adjoining (above, below, beside, and across hallways) affected units must have preventative treatments applied to prevent the spread of cockroaches throughout the building.*
> - *Ensure that a professional pest control company completes all necessary treatments to eliminate all the cockroaches.*
> - *Tenants are to be given a list of precautions and steps to be completed in preparation for the pesticide application (see attached). Tenants are to ensure these steps are followed, and to contact the property owner or contracted pest control company with any questions or concerns regarding the pre-treatment steps.*
> - *Once the treatment is completed, you are to retain a copy of the final report for a period of 6 months. If requested, the report is to be provided to Environmental Health for verification of treatment. The report is to detail what treatments were applied, the locations which were treated, and the dates of treatment.*
> - *Following the completion of treatment, ensure passive monitoring (glue boards or bait stations) for the period of one month, keeping records of each visit*
>
> *3. The Landlord must pay the Tenants $1,172.67 by September 30, 2025.*

13. The Landlord appealed Order LD25-253 on July 29, 2025. The Tenants cross appealed Order LD25-253 on July 31, 2025.

14. The Commission heard the appeal on August 27, 2025, by way of telephone conference. The Landlord, Chao Fang (Ivy) Zhu, along with a translator, Ming Cal, attended the teleconference hearing. The Tenants, Khaled Alrahal and Safia Alrahal, attended the teleconference hearing.

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

C. DISPOSITION

16. The Landlord's appeal is denied. The Tenants' cross appeal is also denied. Order LD25-253 is confirmed, subject to a revision of the total money owed by the Landlord to the Tenants.

D. ISSUES

ISSUE A: Does the Landlord's position on appeal, that the compensation amount of $1,172.67 is unjustified, have merit?

ISSUE B. Have the Tenants' established, in their cross-appeal, the dollar value of compensation for furniture and food thrown out due to a cockroach infestation?

ISSUE C. Should the section 72 awards made by the Rental Office in paragraph 58 of Order LD25-253 be included in the total award payable by the Landlord to the Tenants?

E. SUMMARY OF EVIDENCE

17. The Landlord testified that cleaning of the kitchen was required after the Tenant moved out. There was a hole punched in the wall and glass was broken. The Landlord has applied to the Rental Office to retain the security deposit. The Rental Unit was treated for cockroaches before the Tenants moved out but one more treatment is required.

18. The Tenants testified that they moved out of the Rental Unit on July 31, 2025. They testified that the damage to the Rental Unit was there when they moved in. The hole was there when they moved in. The Tenants believe that the picture showing no hole was taken after they moved out and it was fixed. The Tenants had emailed the Landlord about the broken window when the Landlord first purchased the Rental Unit from the previous owner. The previous owner had given them permission to paint and the wall mount for the TV was there when the Landlord purchased the property.

19. The Tenants explained that they were present for the first cockroach treatment which occurred shortly before they moved out. The Tenants testified that they are of the understanding that there are supposed to be a total of three treatments. The Tenants explained that they had requested that the Landlord treat the Rental Unit for cockroaches a long time ago. The Tenants previously claimed $1,700.00 for loss of furniture and food from the Landlord but have now raised their claim to $3,000.00. The Tenants hired a truck to dispose of their items. They spent $30.00 for Waste-Watch disposal and the receipt is in Exhibit R-4. They spent $121.64 with U-Haul for the truck rental and paid $400.00 to move. They spent $25.35 on gasoline. They lost "500 kilograms" [based on the Waste Watch scale] of furniture and food which they now feel is worth $3,000.00.

F. ANALYSIS

20. From the evidence the Commission can confirm that the Tenants are no longer living in the Rental Unit and had moved out on July 31, 2025. The Commission can also confirm from the evidence that the first phase of the cockroach treatment was done in the days prior to July 31, 2025. The Landlord says one more treatment was required. The Tenants say two more treatments were required.

ISSUE A: Does the Landlord's position, that the compensation amount of $1,172.67 is unjustified, have merit?

21. On her Notice of Appeal, the Landlord provided the following reason for appeal and how she wanted Order LD25-253 changed:

> *There is insufficient evidence to justify the compensation amount of $1,172.67 to the tenants. Additionally, the cockroach infestation appears to have resulted from the tenants' poor sanitation practices, improper food handling, and inadequate garbage storage.*
>
> *…*
>
> *I recommend waiving the $1,172.67 compensation and retaining the tenant's damage deposit due to their poor sanitation and garbage handling, which led to a cockroach infestation and potential property damage.*

22. In Order LD25-253 the Rental Office determined that the Tenants be awarded a claim for inconvenience and loss of enjoyment, based on 33% of rent [$390.89] multiplied by three months [May, June and July 2025] for a total of $1,172.67.

23. The Residential Tenancy Officer found that the Landlord had failed to comply with an April 25, 2025 Environmental Health Report (Report) ordering the Landlord to contact a professional pest control company within 10 business days and complete other requirements by May 1, 2025. As of the July 8, 2025 hearing date before the Rental Office the Landlord had not done any of the requirements set out in the Report.

24. Indeed, the Commission learned on appeal that the first cockroach spray treatment occurred only days before the Tenants July 31, 2025 vacate date.

25. In Order LD25-253 the Residential Tenancy Officer stated:

> *[46] I find that the evidence establishes that the Landlord has not complied with her duties under subsection 28(1) of the Act and under subsections 9(a) and (c) of the Public Health Act Rental Accommodation Regulations.*
>
> *[47] Further, I find that the Landlord has not complied with the Report, which required the Landlord to comply with the clauses mentioned above.*

27. In spite of the Landlord's blatant non-compliance with the Report's timelines, the Landlord bases her appeal on assigning blame to the Tenants, claiming that there is insufficient evidence for the inconvenience and loss of enjoyment award, and attempting to make a claim for the security deposit when, at the time of the Commission appeal hearing, the Rental Office had apparently not yet ruled on the matter of the security deposit.

28. The Commission finds that the Landlord breached the timelines of the Report, delaying necessary treatment by approximately three months thus causing substantial inconvenience and loss of enjoyment and therefore the award of $1,172.67 is amply justified. In addition, it is premature to deal with the disposition of the security deposit. The Landlord's appeal has no merit and is denied.

ISSUE B: Have the Tenants' established, in their cross-appeal, the dollar value of compensation for furniture and food thrown out due to a cockroach infestation?

29. With respect to the Tenants' cross appeal for compensation for lost food and furniture, the Commission agrees with the Residential Tenancy Officer that the Tenants have a valid claim in principle. The Commission also, however, agrees with the Residential Tenancy Officer that the Tenants have not established the $1,700.00 claim they made before the Rental Office. Likewise, the Commission finds that the Tenants have not established the increased $3,000.00 claim they have raised on appeal. The Commission finds that any such claim must be rooted on the basis of the money actually paid to replace the food and furniture thrown out. Here the Tenants attempted to estimate the value without having actually purchased the replacements. The Tenants may wish to consider applying, *with receipts*, to the Rental Office for reimbursement of furniture and food *replacement expenses that were actually incurred* by them.

ISSUE C. Should the section 72 awards made by the Rental Office in paragraph 58 of Order LD25-253 be included in the total award payable by the Landlord to the Tenants?

30. A careful review of Order LD25-253, including paragraph 58 of that Order, makes it clear that the Landlord was required to pay the Tenants one month's compensation in the amount of $1,184.50, and reasonable moving expenses which would be the lesser of actual moving expenses or $1,184.50. Paragraph 60 of Order LD25-253 also ordered a $1,172.67 compensation award for inconvenience and loss of enjoyment of the Rental Unit.

31. The Commission observes that the amounts awarded in paragraph 58 of Order LD25-253 were not included in the "IT IS THEREFORE ORDERED THAT" portion of said Rental Office Order. These two awards contained in paragraph 58 of that Order were awarded by the Rental Office under the provisions of section 72 of the Act. However, at the time Order LD25-253 was issued the Tenants were still living in the Rental Unit. The evidence before the Commission on appeal is that the Tenants no longer occupy the Rental Unit and moving expenses are now available. With that new evidence, the Commission will now address these section 72 awards.

32. The one month's compensation in the amount of $1,184.50 is mandatory under section 72 of the Act. There is no evidence before the Commission that the Landlord has paid this sum to the Tenants.

33. With respect to the matter of moving expenses, the Tenants on appeal provided evidence of moving expenses which are well under one month's rent and appear reasonable to the Commission. These are: a $30.00 Waste Watch fee, $121.64 for truck rental, $25.35 for gasoline for the truck, and $400.00 paid for moving their belongings, for a total of $576.99. The Commission finds that the total moving expenses are $576.99. There is no evidence before the Commission that the Landlord has paid these moving expenses to the Tenants.

34. Accordingly, the Landlord must pay the Tenants:

Section 72 of the Act payment obligation - one month's compensation:

$1,184.50

Section 72 of the Act payment obligation - reasonable moving expenses

$576.99

Compensation award – inconvenience and loss of enjoyment due to the Landlord delaying infestation treatment for three months:

$1,172.67

Total: $2,934.16

35. The Commission therefore denies the Landlord's appeal and confirms the outcome set out in the Conclusion section of Order LD25-253, see paragraphs 58 and 60. With the new information of actual reasonable moving expenses, this now totals $2,934.16 in the event that the Act's section 72 payment obligations of one month's compensation and reasonable moving expenses have not already been paid.

36. The Commission denies the Tenants' cross appeal and confirms Order LD25-253. The Tenants may, however, wish to apply to the Rental Office to seek compensation for food and furniture purchased to replace furniture that had been infested by cockroaches] as well as lost food.

G. CONCLUSION

36. The Landlord's appeal is denied. The Tenants' cross appeal is also denied.

IT IS ORDERED THAT

1. **The Landlord's appeal of Order LD25-253 is denied.**

2. **The Tenants' cross appeal of Order LD25-253 is also denied.**

3. **Order LD25-253 is confirmed, subject to the calculation of a new total owed by the Landlord to the Tenants.**

4. **The Landlord shall pay the Tenants the sum of $2,934.16, the calculation of which include both payment obligations required under section 72 of the Act as set out in the Commission's Order. This sum must be paid within 30 days of the date of the Commission's Order.**

5. **The sum of $2,934.16 shall be adjusted in the event there is confirmation that the Landlord has already met one or both of her section 72 payment obligations to the Tenants.**

DATED at Charlottetown, Prince Edward Island, 30th day of October, 2025.

BY THE COMMISSION:

[sgd. Gordon MacFarlane]
Gordon MacFarlane, Commissioner

[sgd. Cynthia McCardle]
Cynthia McCardle, Commissioner

NOTICE

Subsections 89 (9), (10) and (11) of the *Residential Tenancy Act* provides as follows:

89. (9) A landlord or tenant may, within 15 days of the decision of the Commission, appeal to the Court of Appeal in accordance with the *Island Regulatory and Appeals Commission Act* R.S.P.E.I. 1988, Cap. I-11, on a question of law only.

(10) Where the Commission has confirmed, reversed or varied an order of the Director, the landlord or tenant may file the order with the Supreme Court.

(11) Where an order is filed under subsection (10), it may be enforced as if it were an order of the Supreme Court.