



PRINCE EDWARD ISLAND

Regulatory & Appeals Commission

Commission de réglementation et d'appels

ÎLE-DU-PRINCE-ÉDOUARD

Date Issued: October 30, 2025

Dockets: LR 25043

Type: Rental Appeal

INDEXED AS: Diptesh Das and Smita Saha Das v. Stevie Doiron

2025 PEIRAC 57 (CanLII)

Order No: LR25-51

BETWEEN:

Diptesh Das and Smita Saha Das (the “Landlords”)

Appellants

AND:

Stephen Doiron

Respondent

ORDER

Panel Members:

Gordon MacFarlane, Commissioner
Cynthia McCardle, Commissioner

A. INTRODUCTION

1. This appeal was heard by the Commission on August 27, 2025, and asks the Commission to determine whether the Residential Tenancy Office (the “Rental Office”) erred in finding that the Landlords must pay the Tenant \$1,800.00 due to an unlawful rent increase (\$100.00 x 18 months) and the lawful rent for the Rental Unit is set at \$1,500 per month and can only be changed by following the process set out in the *Residential Tenancy Act*.

B. BACKGROUND

2. This appeal concerns a rental unit located at 25A Alley Street, Charlottetown, PEI (the “Rental Unit”). The Rental Unit is an apartment in a four-plex (the “Residential Property”) that the Landlords purchased in September 2023.
3. The parties entered into a written, fixed-term tenancy agreement (the “Tenancy Agreement”) for the Rental Unit for the period of January 15, 2024, to January 14, 2025. The Tenancy Agreement then continued on a month-to-month basis.
4. The charged rent was \$1,600.00 per month, due on the 15th day of each month. On February 15, 2024, the security deposit was paid.
5. On May 9, 2025, the Tenant filed a *Form 2(A) Tenant Application to Determine Dispute* (the “Application”) with the Rental Office, seeking a return of rent due to an unlawful rent increase and a return of a security deposit overpayment.
6. On July 3, 2025, the Tenant, the Tenant’s representative (the “Tenant Representative”) and the Landlords participated in a teleconference hearing before the Rental Office.
7. On July 15, 2025, the parties contacted the Rental Office and stated that the Tenant moved out of the Unit on July 14, 2025, and the security deposit, including interest, had been returned. Therefore, the security deposit overpayment claim has been resolved.
8. On July 17, 2025, the Rental Office issued Order LD25-258 which ordered the Landlords must pay the Tenant \$1,800.00 due to an unlawful rent increase (\$100.00 x 18 months) and the lawful rent for the Rental Unit is set at \$1,500 per month and can only be changed by following the process set out in the *Residential Tenancy Act*.
9. The Landlords appealed Order LD25-258 on August 6, 2025.
10. The Commission heard the appeal on August 27, 2025, by way of telephone conference. The Landlords, Diptesh Das and Smita Saha Das, attended the hearing and the Tenant, Stephen Doiron, attended the hearing, along with Nancy Doiron who represented Stephen Doiron.
11. The applicable legislation is the *Residential Tenancy Act*, cap. R-13.11 (the “Act”).

C. DISPOSITION

12. The appeal is denied and Order LD25-258 is confirmed.

D. ISSUES

13. Did the Rental Office err in its findings and determination in Order LD25-258?

E. SUMMARY OF EVIDENCE

14. The Landlords testified that their position is stated in Exhibit E-9. They testified that the rent was originally \$1,500.00 per month which included heat and hot water but the Tenant was responsible for paying electricity and internet was not included. The Landlords wanted to upgrade the Rental Unit to electric heat by using a heat pump. This also required an upgrading of the electrical panel from 60 amp to 100 amp. The Landlords also sourced a good deal for shared internet for all four units in the fourplex. In order to continue to include heat and hot water, the Landlords increased the rent by \$50.00 per month and electricity was now also included. The Landlords also increased by a further \$50.00 per month to included the shared internet service. Accordingly, the rent was now \$1,600.00 per month but now included heat, hot water, electricity and internet.
15. The Landlord submitted that while the *Act* contains a process for removing included services it does not have a process for increasing services. The Landlords submitted that their approach represented a “good business model”. They also submit that the Rental Office did not take into account the possibility of year over year increases. They did, however acknowledge under questioning that they did not give notice to the Tenant that they were seeking the year over year rent increases. They acknowledged that they did not apply under the *Act* to increase the rent. They noted that the extra money was not kept for themselves as profit; rather it provided extra services for the Tenant.
16. Nancy Doiron is the sister of the Tenant and spoke on his behalf. Ms. Doiron testified that the tenancy agreement did not identify the previous rent; in fact, the blank was filled in with “N/A”. Stephen Doiron was not made aware of the rent increase or the change in services when he signed the tenancy agreement. Ms. Doiron stated that the Tenant had been living in the Rental Unit for nine or ten months before the heat pump had been installed. She indicated that internet was not essential. She stated that the previous owner had stated that the rent had been \$1,150.00 per month before it had been sold. She stated that the previous tenant had said it was \$1,200.00 per month. She stated that the tenancy agreement in Exhibit E-10 shows “\$1,500.00” in darker ink and she questions whether it was written over. She stated that the Landlords had an illegal increase with another tenant and the Rental Office took action on that matter. She submits that the rental increase is actually more than \$100.00 per month.
17. The Tenant testified that he feels that the Exhibit E-10 tenancy agreement was tampered with. The Tenant stated that the previous tenant had informed him that the rent was around \$1,200.00 per month.

F. ANALYSIS

18. The Landlords acknowledge increasing the rent by \$100.00 per month but testified that this increase covered two additional services; electricity and internet. The Tenant and his sister Ms. Doiron are of the view that the rent had been \$1,150.00 or \$1,200.00 per month and thus the rental increase was actually \$300.00 or \$350.00 per month.
19. Exhibit E-6 is a memo from the previous owner of the fourplex stating that rent for the Rental Unit was \$1,150.00 per month at the time the building was sold to the Landlords on September 29, 2023. However, the previous owner was not a witness at the hearing before the Rental Office nor was he a witness at the hearing before the Commission. Exhibit E-16 is an email from the Landlords' real estate agent to the Landlords dated September 15, 2023, two weeks before the property sale closing. The real estate agent notes the rent for the Rental Unit as \$1,500.00 per month. Exhibit E-15 is a June 19, 2025 email from a previous tenant for the Rental Unit stating the rent was \$1,500.00 monthly heat and water included. These exhibits are in direct conflict. One supports the Tenant's position while the other two support the Landlord's position. The onus is on the Tenant, as the party asserting that the previous rent was less than \$1,500.00 per month, to provide clear evidence to establish their position on a balance of probabilities. As there was no testimony or sworn affidavit from the previous owner, or other such evidence to convince the Commission to assign more evidentiary weight to Exhibit E-6, the Tenant has not met the burden of proof.
20. Based on the evidence before the Commission, the Commission agrees with the finding in Order LD25-258 that the rent had been \$1,500.00 per month and was raised to \$1,600.00 per month.
21. The position of the Landlords is that the \$100.00 per month rental increase, although not applied for, provided the Tenant with included electricity and internet and was a "good business model". In effect, the Landlord is saying the increase was reasonable and provided good value to the Tenant.
22. Subsection 47 (1) of the *Act* requires a rental increase to be in accordance with the *Act*. Subsection 49 (1) limits an increase to the allowable annual increase with the exception of the process in section 50. Section 50 sets out a detailed process whereby a landlord may apply for approval of a rental increase. No rental increase application was made by the Landlords, and accordingly the \$100.00 per month rental increase is unlawful.
23. The renting of residential property on Prince Edward Island is a regulated business. The *Act* and its Regulations set out the law which must be followed. These requirements are mandatory and go well beyond ordinary contract law. No "business model" or expression of freedom of contract excuses a breach of the requirements of the *Act*. Here, the Landlords increased the rent without following the process demanded by the *Act*. Accordingly, the increase is unlawful, the appeal is denied and Order LD25-258 is confirmed.

G. CONCLUSION

24. The appeal is denied as the Landlord increased the rent without first applying to do so under the *Act*. Order LD25-258 is confirmed.

IT IS ORDERED THAT

1. The appeal is denied and Order LD25-258 is confirmed.
2. The Landlords must pay the Tenant \$1,800.00 [a \$100.00 monthly overpayment for 18 months] within 15 days of the Commission's Order.
3. The lawful rent for 25A Alley Street, Charlottetown, PE is confirmed as \$1,500.00 per month and may only be increased by following the process set out in the *Residential Tenancy Act*, cap. R-13.11.

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.