



PRINCE EDWARD ISLAND

Regulatory & Appeals Commission

Commission de réglementation et d'appels

ÎLE-DU-PRINCE-ÉDOUARD

Date Issued: September 25, 2026

Dockets: LR 26044

Type: Rental Appeal

INDEXED AS: Anagha Pradeep Kumar v. Trung Dung Ngo, Thi Thanh Nham and 4T.TES.Inc

2026 PEIRAC 59 (CanLII)

Order No: LR26-47

BETWEEN:

Anagha Pradeep Kumar (the "Tenant")

Appellant

AND: Trung Dung Ngo, Thi Thanh Nham and 4T.TES.Inc. (the "Landlords")

Respondents

ORDER

Panel Members:

Pamela J. Williams, K.C., Chair
Murray MacPherson, Commissioner

Compared and Certified a True Copy

(Sgd.) Michelle Walsh-Doucette

Commission Clerk

Island Regulatory and Appeals Commission

A. INTRODUCTION

1. This appeal was heard by the Commission on August 11, 2026, and asks the Commission to determine whether the Residential Tenancy Office (the “Rental Office”) erred in finding that the Landlords will keep the security deposit plus interest in the amount of \$1,487.60 and that the Tenant must pay the Landlords \$5,201.11 by August 25, 2026.

B. BACKGROUND

2. This appeal concerns a rental unit located at 259 Queen Street, Charlottetown, PEI (the “Rental Unit”).
3. The Rental Unit is an apartment in a building owned by the Landlords (the “Residential Property”).
4. On June 26, 2025, the parties entered into a written fixed-term tenancy agreement for the Rental Unit, effective from July 1, 2025, to June 30, 2026. Rent of \$1,450.00 was due on the first day of the month. A \$1,450.00 security deposit was paid on June 30, 2025.
5. Sometime in August 2025, the Tenant moved out of the Rental Unit. The end date of the tenancy is in dispute.
6. On September 15, 2025, the Landlords filed a *Form 2(B) Landlord Application to Determine Dispute* with the Rental Office (the “Application”) seeking rent owing and to keep the security deposit. A copy of the Application was served to the Tenant electronically.
7. On April 15, 2026, the Landlord filed an amended *Form 2(B) Landlord Application to Determine Dispute* (the “Amended Application”) with the Rental Office seeking rent owing and to keep the security deposit. A copy of the Amended Application was served to the Tenant electronically.
8. On May 1, 2026, the Rental Office sent the parties notice of a tele-hearing scheduled for May 28, 2026.
9. On May 27, 2026, the Rental Office sent the parties notice of a rescheduled tele-hearing scheduled for May 29, 2026.
10. On May 29, 2026, the Landlords and the Tenant participated in the tele-hearing. The parties confirmed receipt of the evidence package and stated that all evidence submitted to the Rental Office was included.
11. On June 25, 2026, the Rental Office issued order LD26-206 which ordered that the Landlords would keep the security deposit plus interest in the amount of \$1,487.60 and that the Tenant must pay the Landlords \$5,201.11 by August 25, 2026.
12. The Tenant appealed Order LD26-206 on July 14, 2026.

13. The Commission heard the appeal on August 11, 2026, by way of telephone conference. The Tenant, Anagha Pradeep Kumar, attended the telephone conference hearing. Trungh Dung Ngo and Thi Thanh Nhan, attended the telephone conference hearing on behalf of the Landlords.
14. The applicable legislation is the *Residential Tenancy Act*, cap. R-13.11 (the “Act”).

C. DISPOSITION

15. The Tenant’s appeal is allowed in part. The Commission finds that the Landlords are entitled to recover three months’ rent, in the amount of \$4,350.00, and to retain the security deposit and accrued interest.

D. ISSUES

16. The Commission must determine the following issues:
- a. Did the Tenant establish that she was entitled to terminate the fixed-term tenancy because her income was reduced as a result of ill health under subsection 57(1)(a) of the *Act*?
 - b. If the tenancy was not properly terminated under subsection 57(1)(a), what rent, if any, remains owing by the Tenant?
 - c. Did the Landlords take reasonable steps to mitigate their losses?

E. SUMMARY OF EVIDENCE

Tenant’s Evidence & Submissions

17. The Tenant submits that her illness materially contributed to the loss of her employment and that the resulting reduction in income justified termination of the tenancy. She also submits, in the alternative, that the Landlords failed to adequately mitigate their losses and that the amount awarded by the Rental Office should therefore be reduced further.
18. The Tenant testified that her employment was terminated after an ankle injury prevented her from completing the duties of her employment. She stated that she could no longer afford the rent or the cost of medical treatment in Canada and was required to return to her home country.
19. The Tenant’s employment as an agronomist required her to wear mandatory steel-toed boots and to drive extensively throughout Prince Edward Island, New Brunswick, and Maine. She submits that these employment requirements aggravated her ankle condition and materially affected her ability to perform her employment duties.
20. The Tenant submits that her ankle condition had been documented by a Canadian physician as of May 7, 2025.

21. The Tenant argues that subsection 57(1)(a) of the *Act* does not require ill health to be the sole cause of a reduction in income. She submits that it is sufficient if ill health materially contributed to the reduction in income.
22. The Tenant further submits that the combination of her ankle condition, the resulting loss of employment and income, and the absence of health insurance made it impossible for her to remain in Canada and continue paying rent and medical expenses.
23. The Tenant also submits that she remained in the Rental Unit for an additional month in an effort to assist the Landlords in finding a replacement tenant.
24. The Tenant argues that, given the amount of rent at stake, the Landlords were required to make substantial and effective efforts to re-rent the Rental Unit and that they failed to mitigate.
25. The Tenant submits that the Rental Office Order does not adequately reflect the Landlords' failure to mitigate.
26. The Tenant submits that rental availability in Charlottetown was particularly limited and that the Landlords, who had experience managing multiple rental properties, should have been able to advertise and re-rent the Rental Unit more promptly.
27. The Tenant also relies on the Rental Office's finding that the tenancy agreement contained 7 provisions that were inconsistent with the *Act*. She submits that those provisions may have discouraged prospective tenants from entering into a tenancy agreement.
28. The Tenant therefore argues that some or all of the Landlords claimed rental loss resulted from their own mitigation decisions and delay, rather than solely from the Tenant's early termination of the tenancy.
29. The Tenant argues that the mitigation reduction should be greater than two months given the Landlords' delayed start in advertising, along with their limited efforts, tight rental market and the Rental Office's own finding that the Landlords' restrictive tenancy terms discouraged prospective tenants.

Landlords' Evidence & Submissions

30. The Landlords submit that the Tenant did not provide sufficient evidence that her ankle injury was causally connected to her reduction in income as required under the *Act*.
31. The Landlords argue that the Tenant vacated the Rental Unit without properly terminating the tenancy and that they made reasonable efforts to find a replacement tenant.
32. The Landlords ask the Commission to uphold the Rental Office's award.
33. The Landlords submit that they began advertising the Rental Unit immediately after receiving the Tenant's notice of intent to terminate the tenancy.
34. The Landlords also submit that they assisted the Tenant in finding a prospective subtenant.

35. The Landlords submit they engaged in extensive communications concerning the Rental Unit. They submit that they communicated with more than 200 individuals through Facebook and Kijiji, reviewed 82 applications, exchanged detailed correspondence with prospective tenants, showed the Rental Unit to more than 20 prospective tenants, and provided rental agreements to four prospective tenants, including the eventual replacement tenant.
36. The Landlords submit that Facebook Marketplace and Kijiji were the two most effective rental platforms available to them and that they used those same platforms to advertise their other rental units. They maintain that they made their best efforts to find a replacement tenant.
37. The Landlords submit that these activities demonstrate substantial efforts to re-rent the Rental Unit.
38. The Landlords therefore ask the Commission to uphold Order LD26-206.

F. ANALYSIS

Termination due to ill health

39. The Tenant bears the onus of establishing that she was entitled to terminate the tenancy as a result of ill health under subsection 57(1)(a) of the *Act*.
40. Subsection 57(1)(a) provides:

A tenant may end a tenancy agreement by giving a notice of termination to the landlord under the following circumstances:

(a) the tenant's income is reduced as a result of ill health, and the notice to the landlord is accompanied by evidence of the tenant's reduction in income and a certificate provided by a medical practitioner or nurse practitioner respecting the tenant's state of health.

41. The Commission accepts that the Tenant experienced an ankle condition and that the condition affected her ability to perform aspects of her employment. The evidence also establishes that the Tenant's employment ended and that she subsequently experienced a reduction in income.
42. However, subsection 57(1)(a) of the *Act* requires more than proof of ill health and a subsequent loss of employment or income. The Tenant must establish the required causal connection between her ill health and the reduction in income. While ill health need not necessarily be the only cause of a reduction in income, the evidence must establish that the Tenant's income was reduced as a result of the ill health.
43. In this case, the evidence does not sufficiently establish that causal connection. The medical evidence establishes that the Tenant experienced the condition, but the evidence

before the Commission does not sufficiently show that the condition caused the reduction in income in the manner intended by subsection 57(1)(a).

44. Accordingly, the Commission finds that the Tenant has not established that she was entitled to terminate the fixed-term tenancy under subsection 57(1)(a).

Termination of the Fixed-Term Tenancy

45. Because the Commission has found that the Tenant did not establish an entitlement to terminate the tenancy under subsection 57(1)(a) of the *Act*, the ordinary provisions governing termination of a fixed-term tenancy apply.

46. Subsection 55(3) of the *Act* states:

A tenant may end a fixed-term tenancy by giving the landlord a notice of termination effective on a date that

- (a) Is not earlier than one month after the date the landlord receives the notice;*
- (b) Is not earlier than the date specified in the tenancy agreement as the end of the tenancy; and*
- (c) Is the day before the day that rent is payable under the tenancy agreement.*

47. In the absence of any statutory right to terminate the tenancy early, the Tenant remained responsible for the financial consequences of ending the tenancy before the expiry of the fixed term, that being June 30, 2026, subject to the Landlords' obligation to mitigate their losses.

48. The Commission therefore confirms the Rental Office's finding that the Tenant did not provide notice that validly terminated the fixed-term tenancy before its agreed expiry date, June 30, 2026.

The Landlords' Duty to Mitigate

49. The fact that the Tenant remained responsible for the consequences of leaving the Rental Unit early does not mean that the Landlords are automatically entitled to recover all the rent that would have become payable for the balance of the fixed term.

50. Section 46 of the *Act* refers to mitigation, stating:

Where a tenant abandons the rental unit, the landlord shall mitigate damages that may be caused by the abandonment to the extent that a party to a contract is required by law to mitigate damages.

51. The purpose of mitigation is to ensure that a landlord takes reasonable steps to reduce the loss resulting from a tenant's abandonment or early termination. A landlord is not required to guarantee that a new tenant will be found immediately, nor is the landlord required to accept an unsuitable tenant. However, the landlord must take reasonable steps, in the circumstances, to limit the resulting loss.

52. Mitigation must be assessed having regard to the circumstances as a whole. The number of advertisements, applications, communications, or showings is relevant, but those measures do not, by themselves, establish that a landlord has adequately mitigated its

loss. The Commission must consider whether the steps taken were reasonable and effective in the circumstances.

53. On the evidence before it, the Commission finds that the Landlords took steps to re-rent the Rental Unit but did not establish that those efforts were sufficient to avoid or substantially reduce the rental loss. The Commission has considered the timing and extent of the Landlords' advertising efforts, their communications with prospective tenants, the rental market conditions in Charlottetown, and the terms of the tenancy agreement identified by the Rental Office as being inconsistent with the *Act*. The Commission has also considered the fact that the Rental Unit remained available for a period of time before a replacement tenancy was secured.
54. Considering all of these circumstances, the Commission finds that an award equivalent to three months' rent is a reasonable measure of the rental loss attributable to the Tenant's early departure. The Landlords are therefore entitled to recover \$4,350.00 in rent.
55. The Landlords are entitled to retain the security deposit in the amount of \$1,450.00 and accrued interest of in the amount of \$47.65 totalling \$1,497.65. Applying that amount against the \$4,350.00 rental loss leaves a balance of \$2,852.35 payable by the Tenant.
56. The Commission therefore reduces the amount awarded by the Rental Office and allows the appeal in part.

G. CONCLUSION

57. The appeal is allowed in part.
58. The Tenant did not establish that she was entitled to terminate the fixed-term tenancy under subsection 57(1)(a) of the *Act*.
59. The Landlords are entitled to recover three months' rent in the amount of \$4,350.00.
60. The Landlords are entitled to retain the security deposit and accrued interest in the amount of \$1,497.65.
61. After applying the security deposit and accrued interest to the amount owing, the Tenant must pay the Landlords the remaining balance of \$2,852.35 by the date set out below.

IT IS ORDERED THAT

1. The Landlord shall retain the Security Deposit and accrued interest in the amount of \$1,497.65.
2. The Tenant shall pay the Landlords \$2,852.35 by October, 2026.

DATED at Charlottetown, Prince Edward Island, 25th day of September, 2026.

BY THE COMMISSION:

[sgd. Pamela J. Williams, K.C.]

Pamela J. Williams, K.C.

[sgd. Murray MacPherson]

Murray MacPherson

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.