The Residential Tenancy Modernization Act: A Consolidated Framework for Reform

Proposed Amendments to the Residential Tenancy Act

Brad Trivers, MLA District 18 Rustico-Emerald

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2 Purpose and Executive Summary

This document outlines a consolidated framework of proposed amendments to Prince Edward Island's *Residential Tenancy Act* (RTA) and its associated regulations. The purpose of this "Residential Tenancy Modernization Act" is to address the critical issues of housing affordability, security, and supply through a single, integrated legislative package. The proposed changes are not about prioritizing one group over another; rather, they are designed to correct a structural imbalance in the rental system that threatens the long-term viability and quality of PEI's rental housing stock.

Prince Edward Island is currently facing a housing crisis characterized by record-low vacancy rates and escalating rents, which persist despite a recent surge in new construction. Concurrently, landlords face mounting operational costs—including property taxes, insurance, and maintenance—that frequently outpace the allowable annual rent increase. This economic pressure discourages investment in maintaining and upgrading older, more affordable rental units, risking the creation of a two-tiered system: new, expensive housing for those who can afford it, and a deteriorating stock of older units for everyone else.

This proposal seeks to create a "grand bargain" that establishes a fair, sustainable, and modern rental market. It links new economic flexibilities for landlords directly to foundational improvements in transparency, tenant protection, and accountability.

Key reforms proposed in this Act include:

For Tenants: Strengthening Protections and Transparency

- **Mandatory Rental Registry:** Creates an official record of all rental units and their lawful rent, empowering tenants to verify the legality of rent increases. A rent increase notice will be void if the unit is not registered.
- **Proactive Landlord Licensing:** Shifts from a reactive complaint system to a proactive one by requiring landlords to be licensed, conditional on meeting health, safety, and insurance standards.
- **Best-in-Class Eviction Integrity:** Introduces powerful deterrents against bad-faith "personal use" evictions, including a **mandatory penalty of 12 months' rent** if a landlord is found to have acted in bad faith.

- **Enhanced Maintenance Standards:** Reinstates the landlord's explicit duty to keep properties in a "good state of repair" and introduces a powerful enforcement tool that **stays any rent increase** while a maintenance order is outstanding.

- **Independent Tenant and Landlord Advisors:** Establishes publicly funded advisor offices to provide support, information, and advocacy, addressing a critical access-to-justice gap.

For Landlords: Ensuring Financial Viability and Efficiency

- **Regulated Vacancy Decontrol:** Allows landlords to adjust rent to a "viability-based cap" tied to the property's assessed value when a unit becomes vacant, providing a mechanism to catch up to market costs in a regulated manner.

- **Predictable Above-Guideline Increases (AGI):** Replaces the subjective "reasonable return on investment" clause with a standardized, calculator-based system for AGIs, making the process more objective and transparent.

- **Centralized Management of Abandoned Property:** Shifts the responsibility for handling a former tenant's abandoned belongings from individual landlords to the Office of the Director, reducing liability and administrative burden.

- **Clearer Rules for Damage, Repairs, and Late Rent:** Introduces statutory definitions for "reasonable wear and tear," "undue damage," and "repeatedly late rent" to reduce ambiguity. It establishes a tenant's duty to cooperate with access for repairs, creates expedited hearings for urgent issues, and clarifies rules for end-of-tenancy damage claims, including a "damage-first" allocation of the security deposit and a new offence for significant tenant-caused damage.

- **A More Efficient Dispute Resolution System:** Establishes a specialized Residential Tenancy Appeal Panel with new powers to summarily dismiss appeals that are frivolous, vexatious, or have no reasonable prospect of success. This measure is designed to reduce lengthy delays, preventing further financial losses or property damage while meritless appeals are pending.

Crucially, the new economic flexibilities for landlords are **statutorily conditional** upon their full compliance with the new transparency and accountability measures. For example, the ability to use the new vacancy rent-setting mechanism is entirely dependent on the unit being properly registered in the new Rental Registry. By advancing this single,

unified legislative package, this proposal aims to move beyond the polarized debate and enact a durable framework that fosters a stable and fair rental market for all Islanders.

3 Strategic Overview and Thematic Analysis

3.1 Introduction: A Path Beyond Polarization

The originally proposed amendments to the Prince Edward Island *Residential Tenancy Act* (RTA) have been introduced into a legislative environment defined by an acute housing crisis and a profound schism between the perspectives of tenants and landlords. Public consultation reveals two competing worldviews: one framing housing as a human right requiring robust social protection, and another viewing it as a business investment requiring economic viability to ensure supply and quality.

Presenting solutions to address tenant and landlord concerns as separate legislative proposals is a strategically flawed approach that invites stakeholders to champion their preferred legislation while vehemently opposing the other's, creating a zero-sum political dynamic. A durable solution requires a comprehensive, integrated legislative package - the **"Residential Tenancy Modernization Act."** This Act creates a "grand bargain" by making foundational improvements in governance, transparency, and accountability a precondition for any new economic flexibility for landlords.

3.2 The Grand Bargain: A Web of Legislative Dependencies

The proposed changes, while addressing different facets of the tenancy relationship, are not independent policy initiatives. They form a web of legislative dependencies where the effectiveness and fairness of one change is contingent upon the implementation of another. The consolidated Act is structured to recognize and enforce these dependencies.

The core of the grand bargain is the direct statutory link between economic reforms and transparency measures. The introduction of a regulated form of **vacancy decontrol** is the most contentious economic change, addressing landlord calls for financial viability. Its legitimacy and perceived fairness are therefore made entirely dependent on robust transparency and enforcement mechanisms. Specifically, the ability for a landlord to use the new vacancy rent-setting mechanism is explicitly conditional upon:

1. **The Mandatory Rental Registry:** The unit must be registered, and the new tenant must be provided with a certified rental history. This addresses the primary tenant demand for a tool to verify the legality of their rent.

2. **Strengthened Eviction Integrity:** The system is counter-balanced by a powerful new enforcement tool against bad-faith "personal use" evictions, with mandatory penalties of 12 months' rent for abuse. This directly addresses the tenant fear that vacancy decontrol will incentivize fraudulent evictions.

This integrated structure transforms the policy. It is no longer a series of isolated "wins" for one side or the other, but a balanced trade-off that builds a measure of trust and accountability into the system from the outset.

4 Summary of the Proposed Legislation

The consolidated "Residential Tenancy Modernization Act" is organized into six new parts to create a coherent and modern framework.

4.1 Governance and Administration

This establishes the foundational administrative machinery for the entire system. It creates the **Office of Residential Tenancy Services (ORTS)** as a standalone body, separating it from the appellate function at the Island Regulatory and Appeals Commission (IRAC) and addressing landlord and tenant concerns about perceived conflicts of interest.

Crucially, this Part establishes independent **Tenant and Landlord Advisor offices** to provide support and advocacy, a direct response to the access-to-justice gap identified by all stakeholders. The bill includes enhanced provisions to ensure equitable resource allocation for these offices and mandates comprehensive training for adjudicators in procedural fairness, cultural competency, and trauma-informed practices, addressing deep-seated tenant distrust in the system's impartiality. The creation of a specialized **Residential Tenancy Appeal Panel** at IRAC, with summary dismissal powers balanced by robust safeguards, provides a more efficient and predictable dispute resolution process.

4.2 Rental Registry and Licensing

This enacts the two "keystone policies" for transparency and proactive enforcement.

The **Rental Registry** creates a centralized, official record of all rental units and their lawful rent, directly addressing the most consistent and powerful demand from tenants for a tool to enforce rent control rules. The registry is designed with strong enforcement teeth, making any notice of a rent increase "of no effect" if the unit is not registered.

The **Landlord Licensing** program shifts the enforcement of health and safety standards from a flawed, reactive model to a proactive one. By requiring landlords to obtain a license conditional on compliance with fire codes, insurance requirements, and a property maintenance plan, the system establishes a clear baseline of safety and professionalism. The licensing program is designed to be the central enforcement hub for the entire Act, with the power to suspend or revoke a license for non-compliance with maintenance orders or findings of illegal rent increases or bad-faith evictions.

4.3 Rent Setting and Adjustments

This modernizes the economic framework of the RTA. The Act repeals the subjective "reasonable return on investment" clause from the AGI process, a key demand of tenant advocates. It mandates a standardized, calculator-based system for above-guideline increases, making the process more objective and predictable. Critically, this consolidated Act implements the **requirement mortgage interest and other financing costs be amortized** over a prescribed period. This strikes a balance, addressing tenant concerns about front-loaded interest costs without ignoring a legitimate and significant business expense for landlords.

The Act introduces a regulated form of **vacancy decontrol**, allowing landlords to reset rents between tenancies up to a "viability-based cap" anchored to the property's assessed value. However, as the core of the "grand bargain," this new flexibility is explicitly conditional on the landlord's compliance with the Rental Registry and is counter-balanced by the new anti-eviction enforcement measures.

Finally, this Part creates a clear pathway for landlords to undertake **energy-efficient heating system conversions**, resolving a policy contradiction that currently discourages green investments.

4.4 Maintenance, Repairs, and Safety

This establishes a modern and robust framework for property maintenance. It reinstates the landlord's explicit obligation to keep a property in a "good state of repair," addressing a major concern of tenant advocates who felt the current standard was too weak.

The Act creates a new framework for prescribed minimum maintenance standards, with clear and tiered response timelines for repairs (24 hours for emergencies, 7 days for urgent defects, 14 days for non-urgent). The most powerful compliance tool is the "stay of rent increases pending compliance," which prevents any rent increase from taking effect while

a maintenance order is outstanding, creating a direct financial incentive for landlords to perform repairs promptly.

4.5 Tenancy Management and Disputes

This modernizes the day-to-day operational rules of the RTA. It introduces much-needed clarity by providing statutory definitions for "reasonable wear and tear" and "undue damage," and sets an objective standard for "repeatedly late rent" (three late events in 12 months, with a grace period and warning step).

This Part also implements the proposal to centralize and professionalize the management of **abandoned tenant property**. Responsibility is shifted from individual landlords to the Director, who will use contracted vendors and a digital claims portal to create a more consistent, transparent, and less burdensome process for all parties.

4.6 Terminations and Eviction Integrity

This focuses on security of tenure and is anchored by powerful new enforcement tools. This Part is the critical enforcement counterweight to the new economic flexibility granted to landlords.

The Act requires landlords seeking a "personal use" eviction to provide a sworn affidavit upfront and, crucially, to file a mandatory "Post-Use Declaration" with evidence of occupancy within 14 months. If the landlord or their family member does not occupy the unit for at least 12 consecutive months, or if the unit is re-rented or sold within a 24-month integrity window, bad faith is conclusively presumed. The Director **shall** order the landlord to pay the former tenant mandatory statutory damages equal to **12 months' rent**, creating a severe and easily enforceable penalty that provides a powerful deterrent against abuse.

5 Synthesis and Strategic Legislative Path Forward

Separate proposals to address different residential tenancy issues, while well-intentioned, risk creating a fragmented and adversarial legislative process. By consolidating them into a single, integrated "Residential Tenancy Modernization Act," this proposal creates a coherent and politically viable path forward. It acknowledges the economic pressures on housing providers while fundamentally strengthening the rights and protections for tenants.

This consolidated Act represents a true "grand bargain":

- **For Tenants:** It delivers on their most critical demands: a mandatory Rental Registry, proactive Landlord Licensing, stronger maintenance standards, independent advisory services, and powerful, best-in-class protections against bad-faith evictions.
- **For Landlords:** It provides new tools for financial viability and operational efficiency: a regulated form of vacancy decontrol, a predictable AGI calculator, a streamlined process for handling abandoned property, and an efficient dispute resolution system.

By advancing this single, unified piece of legislation, the hope is that the Legislative Assembly can move beyond the polarized debate and enact a durable framework that fosters a stable, fair, and sustainable rental market for all Islanders.

6 Part I – Governance and Administration

6.1 Overview

Part I establishes the modern governance structure for residential tenancies in Prince Edward Island. It creates an independent Office of Residential Tenancy Services (ORTS), separate from the Island Regulatory and Appeals Commission (IRAC), to administer the Act, addressing concerns about conflicts of interest in adjudication. It also establishes Tenant and Landlord Advisor Offices to provide neutral support and advocacy for parties, bridging an access-to-justice gap identified by stakeholders. A specialized Residential Tenancy Appeal Panel is constituted at IRAC with trained members and a 90-day decision deadline, improving efficiency and consistency in appeals. These governance reforms introduce robust service standards, annual reporting of metrics, and comprehensive training in procedural fairness and cultural competency. Collectively, Part I's measures aim to restore confidence in the tenancy dispute resolution system through transparency, accountability, and balanced support for both tenants and landlords.

6.2 Clause 1 – Tenant and Landlord Advisor Offices Established

The Act is amended by adding the following after section 7:

7.1 Tenant and Landlord Advisors established

1. There are hereby established within the administration of this Act the offices of
   (a) the Tenant Advisor; and
   (b) the Landlord Advisor.

2. The Minister responsible for the administration of this Act shall appoint
   (a) one or more persons to act as the Tenant Advisor; and
   (b) one or more persons to act as the Landlord Advisor,
   and may prescribe their terms and conditions of appointment.

3. The Advisors shall operate at arm's length from the Director in providing assistance to parties and are not subject to the Director's direction with respect to their advice to individual clients.

4. For greater certainty,
   (a) the Advisors are persons "retained" under clause 7(3)(a) of the Act; and
   (b) sections 8 and 9 apply, with any necessary changes, to the Advisors and any

person employed, engaged or otherwise retained to assist them.

7.2 Functions of the Advisors

1. The Tenant Advisor and the Landlord Advisor shall, as applicable,
   (a) provide information and assistance respecting the rights and obligations of landlords and tenants under this Act and the regulations;
   (b) assist clients to understand and complete approved forms and to prepare for mediation or hearing processes under Part 5;
   (c) with the client's written authorization, communicate with the Director's office in relation to an application or order under this Act; and
   (d) appear as an agent on behalf of a client at a mediation or hearing conducted under section 79 or 80 or on an appeal to the Commission, subject to subsection 80(6).

2. The Advisors shall not provide legal services where doing so would contravene any enactment respecting the practice of law.

3. The Advisors shall preserve the confidentiality of information received from a client except where disclosure is
   (a) authorized in writing by the client;
   (b) permitted or required by law; or
   (c) necessary to comply with a subpoena, warrant or order of a court or tribunal with jurisdiction.

4. Despite any other enactment, with the written authorization of a party, the Director may disclose to an Advisor such information from the Director's file as, in the Director's opinion, is reasonably required to enable the Advisor to carry out their functions.

5. Nothing in this section limits the right of a party to be represented by an agent or a lawyer in accordance with subsection 80(6).

6.3 Clause 2 – Resource Allocation for Advisor Offices

The Act is amended by adding the following after section 7.2:

7.2.1 Resource allocation for Advisors

1. In allocating resources to the offices of the Tenant Advisor and the Landlord Advisor, the Minister shall have regard to the relative volume and complexity of matters handled by each office and the need to ensure that tenants and landlords have reasonably comparable access to assistance under this Act.

2. Without limiting subsection (1), the Minister shall consider
(a) the number of inquiries and applications received by each office;
(b) the proportion of self-represented parties served by each office;
(c) the relative proportion of clients who are members of equity-deserving groups requiring enhanced assistance, including persons with disabilities, newcomers, and persons facing language or literacy barriers; and
(d) any other factor prescribed by the regulations.

3. The Director shall include in the Annual Report under section 7.3:
(a) the resources allocated to each office; and
(b) a summary of the factors considered under subsection (2).

6.4 Clause 3 – Annual Report

The Act is amended by adding the following after section 7.2:

7.3 Annual report

1. On or before June 30 in each year, the Director shall submit to the Minister responsible for the administration of this Act an annual report on the administration of this Act for the preceding calendar year.

2. The annual report shall include, at a minimum:
(a) aggregate statistics on applications received, mediations conducted, hearings held, orders issued, and time to decision at first instance and on appeal, as well as enforcement actions taken;
(b) information on the publication of notices, decisions, orders and the status of administrative monetary penalties under clause 7(2)(e);
(c) a summary of education and outreach activities undertaken by or on behalf of the Director, including the activities of the Tenant Advisor and Landlord Advisor; and
(d) any other information that the Minister may request.

3. The Minister shall cause the annual report to be laid before the Legislative Assembly

within 15 days after it is received if the Assembly is then sitting or, if it is not, within 15 days after the commencement of the next sitting.

6.5 Clause 4 – Appeals

Residential Tenancy Appeal Panel. Section 89 of the Act is amended by adding the following after that section:

89.1 Residential Tenancy Appeal Panel

1. The Island Regulatory and Appeals Commission shall establish a specialized panel, to be known as the Residential Tenancy Appeal Panel (the "Appeal Panel"), to hear and determine appeals under section 89.

2. A panel established under subsection (1) shall be composed in accordance with the *Island Regulatory and Appeals Commission Act* and any relevant bylaw of the Commission respecting the constitution of panels.

3. The Commission shall ensure that members assigned to the Residential Tenancy Appeal Panel receive comprehensive training respecting this Act and the regulations, the applicable rules of procedure, and principles of administrative justice – including procedural fairness, cultural competency, and trauma-informed adjudication.

89.2 Decision within 90 days

1. Within 90 days after the completion of the hearing of an appeal under section 89, the Appeal Panel shall
(a) decide the appeal by confirming, varying or setting aside the Director's order or decision under appeal; and
(b) provide to each person with a direct interest in the matter a written copy of its decision, with reasons.

2. The 90-day period in subsection (1) does not apply if the parties agree in writing to an extension or if, in the Panel's opinion, exceptional circumstances require more time; in such case, the Panel shall notify the parties in writing with brief reasons for the delay.

3. A decision made after the period referred to in subsection (1) or (2) is not invalid solely because it was made after that period.

4. Nothing in this section limits any power of the Panel
   (a) to make procedural directions; or
   (b) to refer a matter back to the Director if the Panel considers that new or additional evidence should be considered at first instance.

6.6 Clause 5 – Summary Dismissal of Appeals and Related Powers

The Act is amended by adding the following after section 89.2:

89.3 Summary dismissal of appeals – grounds and procedure

1. On its own initiative or on application by a party, the Appeal Panel may summarily dismiss all or part of an appeal if the Panel is satisfied that:
   (a) the appeal is frivolous, vexatious, an abuse of process, or is brought for an improper purpose;
   (b) the appeal discloses no reasonable ground of appeal or has no reasonable prospect of success; or
   (c) the appeal is not within the jurisdiction of the Commission.

2. For the purposes of subsection (1), “no reasonable prospect of success” is to be assessed on the information before the Panel, without weighing credibility as at a full hearing; and, without limiting the generality of paragraphs (1)(a)–(c), the Panel may consider whether
   (i) the appeal seeks to relitigate an issue finally determined between the same parties on the same essential facts;
   (ii) the relief sought is purely hypothetical or would serve no practical purpose; or
   (iii) the appeal fundamentally challenges the validity of this Act or the regulations rather than the Director’s order under appeal.

3. Before dismissing an appeal under this section, the Panel shall:
   (a) give the appellant written notice that summary dismissal is being considered, identifying the potential ground(s) under subsection (1);
   (b) permit the appellant and any other party to make written submissions within the time specified by the Panel; and
   (c) provide brief written reasons for its decision.

4. In exercising discretion under this section, the Panel shall read the materials of an unrepresented party generously and may extend time or allow further submissions where fairness requires.

5. Despite subsections (1)–(4), where the appeal concerns an order for possession of a rental unit, the Panel shall not summarily dismiss the appeal without first convening a brief screening conference to permit the parties to make oral submissions on the proposed dismissal.

6. Where the appeal concerns an order relating to essential services (including heat, water or electricity) or an alleged risk to health or safety, the Panel shall exercise caution before summarily dismissing the appeal and may convene a brief screening conference before deciding whether to dismiss.

89.4 Conversion or remittal of proceeding

1. If the Panel is satisfied that an appeal cannot proceed in its current form but that the matter may be addressed by another procedure under this Act, the Panel may:
(a) convert the proceeding to, or direct the Director to treat it as, a request for correction or clarification of a decision or order; or
(b) remit the matter to the Director with directions.

2. A direction under subsection (1) shall not, by itself, prejudice any party's right to be heard.

89.5 Reinstatement on new information or unfairness

1. An appellant whose appeal is dismissed under section 89.3 may, within 10 days after receiving the dismissal decision, apply to the Panel to reinstate the appeal on the ground that
(a) significant new evidence has become available that could not reasonably have been provided earlier; or
(b) the process leading to dismissal was procedurally unfair.

2. On such an application, the Panel may reinstate the appeal, vary its prior decision, or confirm the dismissal, with brief reasons.

89.6 Costs for abusive appeals

1. The Panel may, on motion or on its own initiative, order costs against a party in connection with a dismissal under section 89.3 only where the Panel finds that the party acted in bad faith or for an improper purpose and, after being put on notice, continued to advance the appeal.

2. In determining whether to order costs and the amount, the Panel shall consider
   (a) the party's conduct in the proceeding, including any disregard for the Panel's directions;
   (b) the impact of the conduct on other parties or on the administration of this Act; and
   (c) any other factor set out in the regulations.

3. The amount of costs ordered under this section shall not exceed the prescribed maximum.

4. No order for costs shall be made solely because a party was unsuccessful.

6.7 Clause 6 – Regulation-Making Powers (Appeals)

Section 89 of the Act is amended by adding the following after section 89.6:

89.7 Regulations – appeals and advisors

1. The Lieutenant Governor in Council may make regulations under section 107:
   (a) defining or clarifying the terms "frivolous", "vexatious", "abuse of process" and "no reasonable prospect of success" for the purposes of section 89.3;
   (b) prescribing the maximum amount of costs and factors to be considered under section 89.6; and
   (c) prescribing information to be included in the annual report under section 7.3, including statistics on notices of intent to dismiss, dismissals, matters converted or remitted, reinstatement applications and outcomes, costs orders made and total amounts, and resources allocated to the Advisor offices (with a summary of factors considered).

6.8 Clause 7 – Consequential Amendment (Representation)

For greater certainty, subsection 80(6) of the Act (representation by agent or lawyer) continues to apply to appearances by the Tenant Advisor or Landlord Advisor under section 7.2(1)(d) as enacted by this Act. (This confirms that Advisors may act as agents without conflicting with existing representation rules.)

6.9 Clause 8 – Commencement (General)

This Act (except sections otherwise provided for below) comes into force on a day to be fixed by proclamation of the Lieutenant Governor in Council. (This allows for phased

implementation as needed.)

6.10 Clause 9 – Office of Residential Tenancy Services and Related Reforms

The Act is amended by adding the following after section 7.3:

7.4 Office of Residential Tenancy Services (ORTS)

1. There is hereby established an Office of Residential Tenancy Services (the "Office" or "ORTS") for the purpose of administering this Act.

2. The Director of Residential Tenancy is the Chief Executive Officer of the Office and is responsible for the day-to-day management of the Office and for the exercise of the Director's statutory powers.

3. The Office may employ, engage or retain such persons as are necessary for the proper administration of this Act.

4. Despite the *Civil Service Act*, the Lieutenant Governor in Council may, on the recommendation of the Minister, by order designate one or more positions in the Office to which the *Civil Service Act* does not apply; all other positions in the Office remain subject to the *Civil Service Act*.

5. The Director shall adopt human resource policies for any designated positions under subsection (4) that are consistent with principles of merit, fairness and non-discrimination and with any Treasury Board directives respecting compensation bands.

6. Money required for the operation of the Office shall be paid out of money appropriated by the Legislature for the purposes of this Act, and the Director shall account for such expenditures in the annual report under section 7.3.

7.5 Residential Tenancy Advisory Committee

1. A Residential Tenancy Advisory Committee is established to advise the Director on public education, service standards, data strategy and other non-adjudicative matters related to the administration of this Act.

2. The Committee shall consist of a chairperson and an equal number of members

representative of tenants and landlords, all appointed by the Minister with regard to relevant knowledge and experience.

3. The Committee shall meet at least twice each year and may provide written advice and recommendations to the Director. The Committee has no role in individual cases or in adjudicative matters.

7.6 Policy Guidelines (non-binding)

1. The Director may establish and publish Policy Guidelines to promote consistency, transparency and accessibility in the administration of this Act.

2. Before establishing or substantially revising a Policy Guideline that materially affects the rights or obligations of landlords or tenants, the Director shall post a notice inviting public comment for at least 30 days and shall publish a summary of stakeholder input when the Policy Guideline is issued.

3. Policy Guidelines are not regulations and are not binding on the Director, the Commission or any party.

6.11 Clause 10 – Consideration of Policy Guidelines on Appeal

The Act is amended by adding the following after section 89.2:

89.8 Non-binding guidelines on appeal
In deciding an appeal under section 89, the Appeal Panel shall consider any relevant Policy Guideline published under section 7.6, but is not bound by it.

6.12 Clause 11 – Transitional – Staff and Proceedings (ORTS)

The Act is amended by adding the following after section 7.6:

7.7 Transition provisions – ORTS

1. A person who, immediately before the coming into force of section 7.4, was employed, engaged or retained to assist in the administration of this Act is deemed to be so employed, engaged or retained by the Office, with no loss of employment continuity.

2. The establishment of the Office does not affect any application, proceeding or order commenced or made before that day; all such matters shall be continued and

disposed of as if the Office had been in existence when they commenced, unless the Director directs otherwise with the consent of the parties.

6.13 Clause 12 – Consequential Definition of Director

Section 1(e) of the Act (definition of "Director") is amended by adding "and, for administrative purposes, the Chief Executive Officer of the Office of Residential Tenancy Services" after "means the Director of Residential Tenancy".

6.14 Clause 13 – Commencement of ORTS Provisions

Sections 7.4 to 7.7 (establishing ORTS, Advisory Committee, Policy Guidelines, and transition) come into force on a day to be fixed by proclamation of the Lieutenant Governor in Council. (This allows the ORTS and related changes to be proclaimed separately when administrative readiness has been achieved.)

6.15 Regulations – Governance and Administration

The Residential Tenancy Regulations (EC233/2018) are amended as follows:

6.15.1 Definitions for Appeal Dismissal Criteria

The following section is added to the Regulations for the purposes of section 89.3 of the Act:

Definitions – frivolous, vexatious, etc.

1. For greater certainty and without limiting the discretion of the Commission:
   (a) "frivolous" includes an appeal that lacks any rational basis or advances allegations clearly incapable of proof;
   (b) "vexatious" includes an appeal that attempts to re-litigate matters already finally decided between the same parties on the same facts, or that is brought to harass or cause unnecessary delay;
   (c) "abuse of process" includes a misuse of the appeal process for a collateral or improper purpose, persistent non-compliance with the Panel's directions, or advancing a purely hypothetical claim that serves no practical purpose;
   (d) "no reasonable prospect of success" includes cases where, on the record before the Panel and without weighing credibility as at a full hearing:
   (i) the appeal challenges the validity of the Act or regulations rather than the Director's decision under appeal;

(ii) the appeal is outside the Commission's jurisdiction; or
(iii) the appeal discloses no arguable error of law, fact, or mixed fact and law.

6.15.2 Costs in Appeals – Maximum and Factors

The following section is added to the Regulations for the purposes of section 89.6 of the Act:

Costs on dismissal – cap and factors

1. The maximum amount of costs that may be ordered against a party under section 89.6 of the Act is $250 per appeal (inclusive of all steps in the appeal). In determining whether to order costs and the amount, the Appeal Panel may consider:
   (a) any persistent disregard by the party of the Panel's directions after a written warning;
   (b) prejudice to the other party or to the administration of the Act, including wasted hearing time;
   (c) efforts made by the party to correct any non-compliance; and
   (d) any disability, language, literacy or access barrier faced by a self-represented party that might have contributed to the conduct.

6.15.3 Annual Report Metrics

The Regulations are amended by adding the following requirement respecting the Director's Annual Report (under section 7.3 of the Act):

Annual Report – appeal and advisor statistics

1. The Director shall include in the Annual Report, in aggregate and de-identified form:
   (a) the number of notices of intent to dismiss issued by the Appeal Panel, categorized by each ground under section 89.3(1);
   (b) the number of appeals dismissed under section 89.3, by ground;
   (c) the number of matters converted or remitted under section 89.4(1)(a) or (b);
   (d) the number of reinstatement applications made under section 89.5 and their outcomes;
   (e) the number of costs orders made under section 89.6 and the total amount of costs ordered; and
   (f) the resources allocated to the Tenant Advisor and Landlord Advisor offices, along with a summary of the factors considered under section 7.2.1(2).

7 Part II – Rental Registry and Licensing

7.1 Overview

Part II enacts two keystone policies for rental housing oversight: a mandatory Rental Registry and a Landlord Licensing system.

The Rental Registry creates a centralized official record of all residential rental units and their lawful rents, directly responding to tenant demands for a tool to enforce rent controls. Under these provisions, a unit must be registered for any rent increase notice to be valid, giving the registry “teeth” to ensure compliance.

The Landlord Licensing program shifts enforcement of health, safety, and property standards from a reactive, complaint-based model to a proactive system. Landlords will be required to obtain an annual licence (with reasonable fees and a first-year fee waiver to encourage participation) and demonstrate compliance with fire codes, insurance requirements, and maintenance planning. The licensing regime serves as a central enforcement hub for the Act – licences can be suspended or revoked for serious non-compliance, such as maintenance orders not being addressed or findings of illegal rent increases or bad-faith evictions. Together, these measures increase transparency, professionalism, and safety in the rental market: tenants gain an accessible way to verify the legality of rents and the condition of units, while responsible landlords benefit from a level playing field and clearer standards.

Part II thus lays the groundwork for a fair and enforceable rental housing framework that balances tenant protection with proactive compliance by landlords.

7.2 Clause 14 – Definitions (Registry and Licensing)

Section 1 of the Act is amended by adding the following definitions:

(i.1) "licence" means a licence to operate a rental unit or units issued under Part 10;

(i.2) "licensee" means a person who holds a valid licence issued under Part 10;

...

(q.1) "rental business" means the activity of renting or offering for rent one or more rental units to which Part 10 applies;

(These definitions support the new Landlord Licensing system established in Part 10 of the Act.)

7.3 Clause 15 – Rental Registry Established

The Act is amended by adding the following after section 17:

Division 2.1 – Rental Registry

17.1 Establishment of Rental Registry

1. The Director shall establish and maintain a registry of residential rental units in the province, to be known as the Rental Registry.

2. The purpose of the Rental Registry is to:
   (a) create an official record of residential rental units and the lawful rent payable for each unit;
   (b) ensure compliance with the rent increase provisions of this Act; and
   (c) provide anonymized and aggregate data to inform public policy on housing.

17.2 Obligation to register

1. Every landlord shall, in the prescribed form and manner, register each rental unit that they make available for rent.

2. A landlord shall provide the following information for each rental unit upon initial registration, and shall verify or update the information annually in the prescribed manner:
   (a) the civic address of the rental unit (including any unit number or other identifier for a unit in a multi-unit building);
   (b) the name and contact information of the landlord or the landlord's agent;
   (c) the amount of rent payable for the rental unit;
   (d) a list of services and facilities included in that rent; and
   (e) any other information prescribed by the regulations.

3. A landlord shall not offer a rental unit for rent or enter into a tenancy agreement unless the rental unit is registered in accordance with this Division.

17.3 Lawful rent recorded

1. The amount of rent recorded in the Rental Registry for a rental unit is the lawful rent for that unit.

2. A landlord shall not charge a tenant rent in an amount greater than the lawful rent recorded in the Rental Registry.

3. A notice of a rent increase given under Part 3 of this Act is of no effect unless, at the time the notice is given, the rental unit is registered in accordance with this Division.

4. When the Director approves an increase in rent under Part 3, the Director shall update the lawful rent for the rental unit in the Rental Registry to reflect the approved increase.

17.4 Confidentiality and access to information

1. Information contained in the Rental Registry is confidential and shall not be disclosed to the public, except as authorized by this section.

2. The Director and any person employed, engaged or retained to assist the Director may access the Rental Registry for the purposes of administering and enforcing this Act.

3. A tenant of a rental unit may apply to the Director, in the prescribed form, for a certified record of the rental history of that rental unit. A prospective tenant who has entered into a tenancy agreement for a rental unit may likewise apply for such a record covering the period after the agreement is signed but before the tenancy commences.

4. The Director may publish or make available to the public anonymized and aggregate data from the Rental Registry for purposes of statistical analysis, research, public information (including data dashboards), and housing policy reports.

17.5 Offences and penalties (registry)

1. A landlord who fails to register a rental unit as required by section 17.2, or who provides false or misleading information for the purpose of registration, commits an offence and is liable to an administrative monetary penalty in accordance with Part 6 of the Act.

2. Any overpayment of rent collected by a landlord in contravention of subsection

17.3(2) (unregistered rent increase) may be recovered by the tenant on application to the Director under section 75.

17.6 Transitional – first registration period

1. Notwithstanding any other provision of this Act, upon the first registration of a rental unit after the coming into force of this section, the lawful rent is deemed to be the rent payable for that rental unit on the date this section comes into force.

2. For a period of 12 months following the initial registration of a rental unit (the "verification period"), a tenant occupying the rental unit may apply to the Director to correct the registered rent.

3. On an application under subsection (2), if the Director is satisfied on a balance of probabilities that the rent amount provided by the landlord at the time of initial registration was fraudulent or a material misrepresentation of the rent actually being paid on the date this section came into force, the Director may:
(a) order the landlord to correct the registered rent amount to reflect the actual rent being paid on that date;
(b) order the landlord to refund the tenant any overpayment of rent collected after the date of registration; and
(c) impose an administrative monetary penalty on the landlord in accordance with Part 6.

(Duplication note: The one-time "clean start" first registration rule ensures an accurate baseline without retroactive investigations.)

7.4 Clause 16 – Residential Rental Licensing

The Act is amended by adding the following after section 116:

PART 10 – Residential Rental Licensing

Section 120 – Definitions (Licensing)
In this Part:
(a) "licence" means a licence to operate a rental unit or units issued under this Part;
(b) "licensee" means a person who holds a valid licence issued under this Part;
(c) "rental business" means the activity of renting or offering for rent one or more rental units to which this Part applies.

Section 121 – Licence required

1. No person shall carry on a rental business in respect of any rental unit to which this Part applies except in accordance with a licence issued by the Director under this Part.

2. Without limiting the generality of subsection (1), no person shall, for any rental unit that is subject to the licensing requirement:
   (a) collect rent, or permit rent to be collected;
   (b) advertise or offer the rental unit as available for occupancy; or
   (c) represent to any person that the rental unit is licensed if it is not.

Section 121.1 – Notice to tenants

1. A licensee shall provide a copy of any licence issued or renewed under this Part to each tenant of a rental unit covered by the licence, within the prescribed time.

2. Where a licence is suspended or revoked by the Director, the landlord shall provide written notice of the suspension or revocation to each affected tenant in the prescribed form and manner.

Section 122 – Application for licence
An application for a licence or renewal of a licence shall:
(a) be made to the Director in the approved form;
(b) include any documents and information prescribed by the regulations; and
(c) be accompanied by the fee prescribed by the regulations.

Section 123 – Director's powers (licensing)
The Director may:
(a) issue or renew a licence;
(b) refuse to issue or renew a licence;
(c) attach such terms and conditions to a licence as the Director considers appropriate; and
(d) suspend or revoke a licence in accordance with section 124.

Section 124 – Grounds for refusal, suspension or revocation
The Director may refuse to issue or renew, or may suspend or revoke, a licence if satisfied that:
(a) the applicant or licensee provided false, misleading or incomplete information in the

application;
(b) the applicant or licensee has contravened a provision of this Act, the regulations, or an order of the Director;
(c) the rental unit or residential property fails to comply with any health, safety or housing standard required by law (including any standard established under another enactment); or
(d) the applicant or licensee has failed to comply with a term or condition of the licence.

Section 125 – Appeals
A decision of the Director to refuse to issue or renew a licence, or to suspend or revoke a licence, may be appealed to the Commission under section 89 (appeals of Director's orders).

Section 126 – Offence
A person who contravenes section 121 (operating without a licence) is guilty of an offence and is liable to the penalties provided under this Act.

7.5 Clause 17 – Regulation-Making Powers (Registry and Licensing)

Subsection 107(1) of the Act is amended by adding the following after clause (g):

(g.1) respecting the establishment, operation, and maintenance of the Rental Registry under Division 2.1, including

(i) prescribing the form, manner, and procedures for registration, verification, and annual renewal of rental units,

(ii) prescribing any fees payable for registration or other services related to the Registry,

(iii) prescribing procedures for the correction of information contained in the Registry,

(iv) prescribing the form and manner for a tenant or prospective tenant to apply for the rental history of a unit under subsection 17.4(3);

(g.2) prescribing data security and privacy protection standards for the management of personal information contained in the Rental Registry;

(g.3) respecting any other matter necessary to give effect to Division 2.1;

...

(cc) respecting the establishment and administration of a system of licences for rental units, including

(i) prescribing classes of rental units or residential properties that are subject to or exempt from the licensing requirement,

(ii) prescribing fees for the application, issuance, and renewal of licences,

(iii) prescribing classes of licences,

(iv) prescribing the documents, inspections, and information required to be submitted with an application,

(v) prescribing standards for compliance and conditions that may be attached to a licence,

(vi) prescribing the form and content of licences, and

(vii) prescribing the form, manner, and timing of notices to be provided to tenants under section 121.1;

7.6 Regulations – Rental Registry and Licensing

The Residential Tenancy Regulations are further amended to implement the above provisions as follows:

Section 11 – Licensing Fees

1. The following fees are prescribed for the purposes of section 122 of the Act (licence applications and renewals):
   (a) initial application for a licence – \$175 per residential property;
   (b) annual licence renewal – \$65 per residential property.

2. Despite clause (1)(a), the fee for an initial licence application is waived for any application received within the first 12 months after the coming into force of this section.

Section 12 – Classes of Licences

The following classes of licences are established for the purposes of Part 10 of the Act:

(a) Class A – *Standard Rental Licence*: for a residential property that is not occupied by the owner and that contains one to four rental units;
(b) Class B – *Owner-Occupied Rental Licence*: for a residential property where the owner occupies one unit as their principal residence and rents out one or more other rental units on the property;
(c) Class C – *Rooming House Licence*: for a residential property in which five or more individual rooms are rented under separate tenancy agreements and tenants share a kitchen or bathroom facility.

Section 13 – Application Requirements

1. An initial application for any class of licence shall be accompanied by:
   (a) proof of ownership of the residential property;
   (b) the name and contact information of the landlord and, if applicable, any agent or property manager designated as a contact for tenancy or property issues;
   (c) a written declaration, in the approved form, confirming that the residential property is covered by a policy of public liability insurance with coverage of at least \$2,000,000 per occurrence;
   (d) a floor plan for each rental unit, identifying the location of all rooms, windows, and entrances/exits in the unit;
   (e) a valid fire inspection report for the residential property, issued by the relevant authority within 24 months before the application date;
   (f) a property maintenance plan, in the approved form, outlining the landlord's procedures for:
      (i) garbage, recycling, and compost collection and storage;
      (ii) snow and ice removal from common areas, walkways, and entrances; and
      (iii) receiving and responding to tenant requests for routine repairs.

2. An application to renew a licence (annually) shall be accompanied by:
   (a) an updated insurance declaration as required by clause (1)(c);
   (b) written confirmation that the contact information provided under clause (1)(b) remains correct (or updated contact information, if changed); and
   (c) the renewal fee prescribed in section 11.

3. In addition to the requirements of subsection (2), every five years upon renewal the licensee shall provide an Electrical System Inspection Form, in the approved form, completed and signed by a certified electrician, confirming that the electrical system in the residential property has been inspected and is in compliance with

applicable safety standards.

(No additional regulatory text is necessary here for licence inspections or enforcement, as these are covered by the Act and general regulation-making powers. The above requirements reflect best practices from other jurisdictions.)

8 Part III – Rent Setting and Adjustments

8.1 Overview

Part III modernizes the rules for rent control and rent increases, establishing a more predictable and balanced economic framework for residential tenancies. It overhauls the above-guideline increase (AGI) process by mandating a standardized, calculator-based system for landlords' AGI applications, replacing the subjective "reasonable return on investment" test with objective criteria. The new calculator will use verifiable inputs (aligned with tax reporting where possible) and apply inflation-indexed cost factors, while explicitly excluding mortgage interest and other financing costs from the expense calculations. This responds to tenant advocates' concerns about front-loaded financing costs, while still allowing landlords to recover legitimate operating and capital expenses in a transparent way. To further promote fairness, the Act strengthens confidentiality protections in AGI proceedings: sensitive financial information can be filed confidentially subject to Director-issued summaries and confidentiality undertakings, with penalties for breaches.

In addition the limitation of annual implementation of approved increases (AGIs) is adjusted to take a tiered approach. If the total AGI is less than 6% then a yearly cap of 3% is kept. For total AGIs greater than 6% the phase-in cap is increased to 5% per year. The faster recovery is allowed only if the landlord meets maintenance and licensing standards. Also the Director has discretion to reduce the phase-in cap for in case of tenant hardship. To ensure transparency, each year the Director will be required to publish the tiered phase-in structure, compliance conditions, hardship criteria (e.g. rent increase size, housing availability, displacement risk), and illustrative examples of phased implementation

Part III also introduces a regulated form of vacancy decontrol: when a unit becomes vacant, a landlord may raise the rent beyond the annual guideline, but only up to a "viability-based cap" tied to the property's assessed market value for provincial property taxes. This vacancy increase formula (detailed in the regulations) uses standardized assumptions (down payment, interest rate, amortization period, etc.) to determine a fair

maximum rent on turnover, rather than leaving it to unfettered market forces. Crucially, this flexibility for landlords is contingent on compliance – if the unit is not properly registered, no vacancy increase is permitted. Moreover, Part VI this Act introduces stringent anti-eviction measures to deter any bad-faith use of vacancy decontrol (e.g. fraudulent "personal use" evictions).

Finally, Part III facilitates energy-efficient heating system conversions by landlords. It provides a clear legal pathway to convert oil heating to electric heat pumps, including requiring proper notice to tenants, offering rent adjustments to reflect new utility responsibilities, and allowing retrofit agreements to be filed that amend tenancy agreements. These provisions resolve a policy contradiction that previously discouraged green upgrades by ensuring landlords can recoup some costs while protecting tenants from unfair rent changes. In sum, Part III strikes a "grand bargain" on rents: predictable controls and fairness for tenants, balanced with targeted flexibility and cost recovery for landlords.

8.2 Clause 18 – Above-Guideline Increases: Standardized Calculation

Section 50 of the Act is amended by adding the following after subsection (2):

Section 50 – Rent Increase Above Guideline – Standardized Calculator

2.1 The Director shall determine an application under subsection 50(1) (landlord's application for an increase above the annual guideline) by applying a standardized rent adjustment calculator established under the regulations.

2.2 Purpose and features of calculator – The purpose of the rent adjustment calculator is to ensure that decisions on applications under subsection 50(1) are objective, transparent and cost-recovery-based. The calculator shall:

(a) rely on standardized, verifiable inputs, including values aligned, where appropriate, with those used for tax reporting;

(b) apply Consumer Price Index (CPI)-based operating cost factors and a regulated capital-recovery methodology using a published financial benchmark; and

(c) exclude mortgage interest and other financing costs from eligibility.

2.3 Publication of methodology – The Director shall, at least annually, publish in plain language on a publicly accessible website the methodology and inputs used in the calculator, including the CPI factors, capital-recovery parameters and any applicable benchmarks, with illustrative examples.

8.3 Clause 18.1 – Annual implementation of approved increase

Subsection 50(7) is repealed and replaced with the following:

(7) Limitation on annual implementation of approved increase

Subject to subsection (8), where the Director grants an application under subsection (6) or orders that the increase granted be phased in over a period of time, the amount of the increase in rent in a calendar year shall not exceed:

(a) 3 per cent in addition to the maximum percentage increase permitted under section 49, where the total approved increase is 6 per cent or less;

(b) 5 per cent in addition to the maximum percentage increase permitted under section 49, where the total approved increase exceeds 6 per cent, provided that:

(i) the landlord has complied with all outstanding maintenance orders under sections 28.1 to 28.5;

(ii) the landlord holds a valid licence under Part 10 of this Act for the residential property; and

(iii) the landlord has filed any compliance plan required under section 28.6, if applicable;

(c) any other percentage prescribed by regulation for exceptional circumstances, subject to the same compliance conditions as paragraph (b).

(8) Despite subsection (7), the Director may order a lower annual percentage if, in the Director's opinion, a higher percentage would cause undue hardship to the tenant, having regard to prescribed criteria.

8.4 Clause 19 – Removal of "Reasonable Return" Factor

Clause 50(3)(c) of the Act is repealed (the factor referring to a "reasonable return on investment" in determining a rent increase above the guideline) *and the remaining clauses are re-lettered accordingly*.

(This eliminates the subjective profitability criterion, as per tenant advocates' requests.)

8.5 Clause 20 – Transparency and Confidentiality in Proceedings

Subsection 75(3) of the Act is repealed and replaced with the following:

3. Subject to this section and the regulations, information filed with the Director in a proceeding shall be available to the parties.
    a) The Director may authorize the redaction of sensitive personal identifiers from a document before it is disclosed.
    b) The Director shall provide a summary of information in place of the original documents only where a party has failed to execute a confidentiality undertaking required under section 75.1.

8.6 Clause 21 – Confidentiality Undertakings

The Act is amended by adding the following after section 75:

75.1 Confidential filing of sensitive information

(1) Where a party seeks access to sensitive supporting documents filed by another party in a proceeding—such as invoices, account numbers, personal identifiers, or commercially sensitive pricing—the Director may require the party to execute a confidentiality undertaking in the prescribed form.

(2) The Director shall not require a confidentiality undertaking for documents that do not contain sensitive personal or commercial information.

(3) A person who breaches a confidentiality undertaking commits an offence under section 106 and may be liable to an administrative monetary penalty under section 93.

(4) The Director may refuse to disclose sensitive supporting documents to a party who declines to execute a required confidentiality undertaking.

(5) The Director may authorize the redaction of sensitive personal identifiers or commercially sensitive details from supporting documents before disclosure, or may provide a summary of the information in lieu of the original document, where appropriate.

(6) The Director shall ensure that the process for executing confidentiality

undertakings is simple and accessible, including the use of a standard form and electronic signature where feasible.

8.7 Clause 22 – Regulation-Making Authority (Rent Adjustments)

Section 107(1) of the Act is amended by adding the following clauses after clause (jj):

(jj.1) prescribing the methodology for a standardized rent adjustment calculator under section 50, including inputs and publication requirements, and prescribing the methodology for amortizing mortgage interest and other financing costs over a prescribed period;

(jj.2) prescribing categories of operating costs eligible for above-guideline adjustment and the use of CPI-based factors;

(jj.3) prescribing capital expenditure amortization schedules and a regulated rate of return on capital expenditures;

(jj.4) excluding mortgage interest and other financing costs from eligibility for above-guideline rent increases;

(jj.5) defining confidential business information and prescribing forms of confidentiality undertakings, redaction or summary procedures, and penalties for breach for the purposes of sections 75 and 75.1.

8.8 Clause 23 – Rent Adjustment on Vacancy (Viability Model)

The Act is amended by adding the following after section 49:

49.1 Rent adjustment on vacancy

1. Despite any other provision of this Act, upon the commencement of a new tenancy following a vacancy, the maximum lawful rent for a rental unit shall not exceed the amount determined in accordance with the regulations using the provincially assessed market value of the property and a prescribed viability model.

2. For the purposes of subsection (1), the “provincially assessed market value” of a rental property means the assessed value determined annually by the Government

of Prince Edward Island for property tax purposes.

3. Purpose of viability model – The purpose of the viability model is to ensure an objective, transparent and cost-recovery-based maximum rent on vacancy that uses standardized, verifiable inputs and does not rely on the individual landlord's financing arrangements. The model shall:
   (a) anchor calculations to the provincially assessed market value and other standardized inputs, including a standard down-payment percentage, a reference interest rate and a standard amortization period;
   (b) include eligible operating costs determined in accordance with the regulations; and
   (c) include mortgage interest and other financing costs only as pass-through items, not as inputs affecting the calculated cap (i.e. financing costs of individual landlords do not increase the cap).

4. Publication of assumptions – The Director shall, at least annually, publish in plain language on a publicly accessible website the methodology and assumptions used for the purposes of this section, including the standard down-payment percentage (default 25%), the reference interest rate, and the standard amortization period, with illustrative examples.

5. Inapplicability of 3% cap – For greater certainty, the limitation in section 50(7) of the Act (which caps rent increases at 3% if approved within 12 months of a previous increase) does not apply to a rent determined under this section.

6. Confidentiality provisions apply – For greater certainty, sections 75 and 75.1 (confidential filings and undertakings) apply to any proceeding under this section.

Clause 24 – Regulation-Making Authority (Vacancy Control)

Section 107(1) of the Act is further amended by adding the following clause:

(jj.6) prescribing a vacancy decontrol viability model tied to provincially assessed market value and standard financial assumptions for the purposes of section 49.1.

Clause 25 – Heating System Conversions: Notice and Rent Adjustment

Section 21 of the Act is amended by adding the following after subsection (2):

Section 21(3) – Conversion of Heating System

3. Where a landlord proposes to terminate or restrict a heating service to a rental unit due to the conversion of a heating system from a central oil-fired system to individual electric heat pumps, the landlord shall:
   (a) provide at least three months' written notice to all affected tenants;
   (b) offer each affected tenant a rent adjustment reflecting the change in responsibility for heating costs; and
   (c) obtain the approval of the Director if any tenant disputes the proposed change.

8.9 Clause 26 – Retrofit Agreements for Heating Conversion

Section 10 of the Act is amended by adding the following after subsection (6):

7. A landlord and tenant may enter into a written **retrofit agreement** in respect of a heating system conversion. A retrofit agreement must be filed with the Director and, upon filing, is deemed to amend the tenancy agreement to the extent of its terms.

(This permits formal agreements on new heating arrangements, enforceable as part of the lease.)

8.10 Clause 27 – Enabling Heating System Conversion

The Act is amended by adding the following after section 21:

21.1 Heating system conversion – conditions

1. A landlord may convert a heating system in a residential property from oil-based heating to electric heat pumps, provided that the landlord complies with:
   (a) the notice and rent adjustment requirements under section 21(3); and
   (b) the filing of any retrofit agreements as required by section 10(7);
   and obtains Director approval for the conversion if any tenant disputes the change.

(Duplicate note: Sections 21(3), 10(7), and 21.1 collectively ensure conversions are handled consistently. The reference to "Director approval if any tenant disputes" appears twice (21(3)(c) and 21.1(1)(c)), but this duplication is intentional for emphasis and does not create a conflict.)

8.11 Clause 28 – Regulation-Making Authority (Heating Conversions)

Section 107(1) of the Act is further amended by adding the following clause:

(jj.7) prescribing any matters necessary to facilitate heating system conversions, including defining "heating system conversion" and authorizing rent adjustments related to such conversion (subject to Director approval).

(This general enabling power complements the specific regulatory amendments below.)

8.12 Regulations – Rent Setting and Adjustments

The Residential Tenancy Regulations are amended to implement the new rent adjustment framework as follows:

8.12.1 Operating Costs Definition

Clause 5(b) of the Regulations (definition of "operating costs") is repealed and replaced with:

5(b) "operating costs" excludes depreciation and financing costs, but includes all other reasonable expenses related to the operation of a rental property (including property taxes, insurance, utilities, maintenance, and other costs prescribed by policy).

(This ensures that mortgage interest and similar financing charges are not treated as operating costs for rent increase purposes, aligning with the Act.)

8.12.2 Above-Guideline Increase Phase-In

A new Part of the Regulations is added to prescribe how above-guideline increases may be phased in:

PART Y — ABOVE-GUIDELINE INCREASE PHASE-IN

Y.1 Tiered phase-in structure

(1) For the purposes of section 50(7) of the Act:

(a) where the total approved above-guideline increase is 6 per cent or less, the annual implementation cap is 3 per cent plus the annual guideline;

(b) where the total approved above-guideline increase exceeds 6 per cent, the annual

implementation cap is 5 per cent plus the annual guideline, subject to compliance conditions in section Y.2.

Y.2 Compliance conditions

(1) A landlord seeking to implement an annual increase above 3 per cent under section Y.1(b) shall:

(a) hold a valid rental licence under Part 10 of the Act for the residential property;

(b) have no outstanding maintenance orders under sections 28.1 to 28.5 of the Act;

(c) have filed any compliance plan required under section 28.6 of the Act, if applicable.

(2) The Director shall verify compliance before approving any annual increase above 3 per cent.

Y.3 Exceptional circumstances

(1) The Director may approve an annual implementation percentage higher than 5 per cent only where:

(a) the landlord demonstrates extraordinary circumstances prescribed by regulation (such as major capital investment exceeding a prescribed threshold);

(b) the landlord meets all compliance conditions in section Y.2; and

(c) the Director is satisfied that the increase will not cause undue hardship to the tenant.

(2) Any percentage approved under subsection (1) shall not exceed the prescribed maximum.

Y.4 Hardship criteria

(1) For the purposes of section 50(8) of the Act, the Director shall consider:

(a) the magnitude of the proposed annual increase relative to the tenant's current rent;

(b) the availability of comparable rental housing in the tenant's community;

(c) any recent displacement risk factors (such as pending eviction for other reasons);

(d) any other tenancy-related factor prescribed by regulation.

(2) The Director shall not consider the tenant's income, household income, or housing cost ratio for the purposes of this section.

Y.5 Publication

The Director shall publish annually:

(a) the tiered phase-in structure;

(b) compliance conditions;

(c) hardship criteria;

(d) illustrative examples of phased implementation.

8.12.3 Vacancy Decontrol Model

A new Part of the Regulations (following the Licensing Part) is added to prescribe the rent viability model on vacancy, as authorized by section 49.1 of the Act:

Part Z – Vacancy Decontrol Viability Model

Maximum rent on vacancy

Z.1 For the purposes of section 49.1 of the Act, the maximum rent on vacancy shall be the higher of:

(a) the rent permitted by the annual guideline plus any approved above-guideline increase already attached to the unit; and

(b) the amount determined by the following calculation:

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allowable gross rent = standard mortgage payment
(assessed market value × (1 − down-payment%)) + eligible
operating costs, divided by the number of rental units.
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(In plain terms, the model computes the rent needed to cover a conventional mortgage and typical expenses for the property, allocated per unit. The "standard mortgage payment" is based on a standardized down payment and interest rate, not the actual landlord's financing.)

Publication of assumptions

Z.2 The Director shall publish annually the standard down-payment percentage (default 25%), the reference interest rate, and the standard amortization period to be used in the calculation under section 14, as well as the method for determining eligible operating costs.

Assessed value

Z.3 For the purposes of Z.1 and the Act, the provincially assessed market value is the value determined annually by the Province for property taxation.

Adjustment applications

Z.4 A landlord may apply to the Director to vary the calculated maximum rent on vacancy if the landlord believes that prescribed criteria (such as extraordinary circumstances affecting the property value or operating costs) are met and can provide evidence as prescribed. The Director may adjust the maximum rent if satisfied that the criteria are met, in accordance with any prescribed process.

(This allows a landlord, in rare cases, to seek a different cap if the standardized model yields an inappropriate result, subject to evidence and regulatory criteria. The specifics of criteria can be developed in policy – e.g. a recent assessment anomaly – to ensure fairness.)

8.12.4 Heating System Conversion

Clause 5(a) of the Regulations (definition of “capital expenditures” for above-guideline increases) is amended by adding after “electrical or heating systems or appliances,” the phrase: “including expenditures for the installation of heat pumps as part of a heating system conversion,”.

(This clarifies that investing in heat pumps during conversion is considered a capital expense potentially recoverable via an AGI, resolving uncertainty and encouraging green upgrades.)

The Regulations are further amended by adding the following section as a new section under an appropriate Part:

X. Heating System Conversion Rent Adjustment

1. For the purposes of section 107 of the Act (regulations respecting heating conversions), “heating system conversion” includes the replacement of an oil-based central heating system with electric heat pumps for a rental property, and includes associated electrical upgrades and any tenant notification requirements related to the conversion.

2. The Director may approve a change in rent related to a heating system conversion (whether through an above-guideline increase or by adjusting rent allocations between landlord and tenant) if the landlord demonstrates that:
   (a) the conversion involved a capital expenditure; and
   (b) the proposed rent change reasonably reflects the overall impact of the conversion on both the landlord’s costs and the tenant’s costs, including any net operating cost savings resulting from the new system.

(This regulatory section ensures that when a landlord converts to heat pumps and, for example, tenants start paying for their own electricity, any rent reduction or increase is commensurate with cost changes. It pairs with Act provisions on notice and Director oversight.)

8.12.5 Confidentiality Undertakings

XX.1 Prescribed Form

Specifies the approved form, including required fields (name, contact info, file number, description of documents, declaration, consequences, date, signature).

XX.2 Electronic Signature

Allows secure electronic signatures with identity authentication and submission through a secure portal.

XX.3 Execution Process

Outlines steps for completing, signing, and submitting the undertaking before accessing confidential documents.

XX.4 Penalties for Breach

Administrative monetary penalty up to $5,000.

Possible Director’s order and prosecution under the Act.

Factors for penalty determination and reporting requirements in the Annual Report.

9 Part IV – Maintenance, Repairs, and Safety

9.1 Overview

Part IV creates a robust framework to ensure rental properties are maintained in a safe and habitable condition. It **restores and strengthens the landlord's duty to repair**, explicitly requiring that rental units be kept in a "good state of repair and fit for habitation," addressing concerns that previous wording was too weak.

Importantly, Part IV empowers the government to set **prescribed minimum housing standards** and clear timelines for repairs: 24 hours for emergencies, 7 days for urgent issues, and 14 days for non-urgent issues (unless otherwise ordered).

Correspondingly, it establishes an innovative remedy – a **proportional rent abatement** that can be ordered retroactively from the date a defect was verified, incentivizing prompt repairs.

To ensure compliance, this Part introduces a potent enforcement tool: a **stay on rent increases** for any unit under an outstanding maintenance order, meaning a landlord cannot benefit from a rent hike until necessary repairs are done.

The reforms also streamline how urgent cases are handled. They impose a **duty on tenants and landlords to cooperate with access** for inspections and repairs, with reasonable scheduling rules, while providing an expedited dispute process if access is unreasonably refused.

Additionally, Part IV clarifies the **"order without hearing"** process for emergencies by defining "immediate risk" situations (e.g. severe property damage, threats to safety) and setting 24–48 hour targets for urgent applications to be reviewed and heard. These measures aim to prevent deterioration and address serious risks promptly, with fairness safeguards.

In sum, Part IV modernizes maintenance obligations and enforcement, ensuring Islanders' rental homes are safe, healthy, and well-maintained – and providing mechanisms to swiftly remedy problems when they arise.

9.2 Clause 29 – Reaffirmation of Landlord's Repair Obligation

Section 28(1) of the Act is repealed and replaced with:

28. Obligation to repair and maintain

1. A landlord shall keep the rental unit and residential property in a good state of repair and fit for habitation, having regard to the age, character and location of the rental unit, and shall ensure the rental unit and residential property comply with the health, safety, housing and maintenance standards required by law.

(This revised duty explicitly references habitability and legal standards, strengthening tenants' rights to a well-maintained home.)

9.3 Clause 30 – Residential Maintenance Standards and Repair Timelines

The Act is amended by adding the following sections after section 28:

28.1 Maintenance Standards and Repair Timelines

Maintenance standards

1) The Minister may, by regulation, prescribe minimum residential maintenance standards for rental units and residential properties respecting matters such as structural integrity, heat, water, electrical, plumbing, pest control, mold, and safety devices.

Timelines for repairs

2) Unless otherwise prescribed or ordered by the Director:
(a) a landlord shall respond to and rectify an emergency repair issue (being a condition that poses an immediate risk to health or safety or an essential service) within 24 hours;
(b) a landlord shall address an urgent defect (seriously affecting habitability or sanitation, though not an immediate danger) within 7 days;
(c) a landlord shall address any other non-urgent defect or maintenance issue within 14 days.

Director's orders and rent abatement

3) If a landlord fails to meet the standards or timelines under sections 28.1 or 28.2, the Director may issue an order requiring the landlord to remedy the defect or comply with the prescribed standard. The Director may also order a proportional abatement of rent in favor of the affected tenant, corresponding to the loss of value or amenity due to the defect, retroactive to the date the defect was first verified (by evidence or inspection).

Evidence of condition

4) In any proceeding regarding alleged lack of repair or breach of maintenance standards, the Director may require the parties to provide evidentiary documentation, which may include dated photographs, videos, inspection reports or other verification as prescribed. The Director or an agent may conduct a site inspection or re-inspection as necessary to verify compliance or the existence of a defect.

Stay of rent increases

5) If an order under section 28 or 28.3 requiring repairs or maintenance remains outstanding for a rental unit, any notice of rent increase for that unit (including an increase already approved above the guideline) shall not take effect until the Director confirms that the order has been complied with. The effective date of the rent increase is deferred accordingly, without prejudice to the tenant.

9.4 Clause 31 – Duty to cooperate with access

The Act is amended by adding the following after section 23:

23.1 Duty to cooperate with access

(1) A tenant shall not unreasonably refuse or delay consent to the landlord's lawful request for entry under section 23.

(2) Where a landlord provides written notice under section 23 for entry to carry out repairs, maintenance, or an inspection required by law or ordered by the Director, the tenant shall cooperate in scheduling the entry at a reasonable time.

(3) For the purposes of subsection (2), "reasonable time" means:

(a) a time between 9:00 a.m. and 9:00 p.m.;

(b) a duration no longer than is reasonably necessary to complete the stated purpose of the entry; and

(c) consideration of the tenant's circumstances, including work schedules and caregiving responsibilities.

(4) If the tenant objects to the time proposed by the landlord, the tenant shall, within two business days, offer at least two alternate time windows that are reasonable in light of the purpose of entry and the landlord's legal obligations.

(5) A landlord shall not unreasonably refuse or delay entry at a time proposed by the tenant under subsection (4), having regard to the landlord's legal obligations and the availability of qualified tradespersons.

(6) Where the landlord refuses all alternate times proposed by the tenant, the landlord shall provide written reasons and, if requested, evidence of scheduling constraints.

(7) Where the parties cannot agree on a reasonable time, either may apply to the Director for an order setting the time and conditions of entry.

(This new section codifies both tenant and landlord obligations to facilitate necessary access for repairs, with reasonable notice and frequency limits, and provides recourse if access is unjustifiably denied.)

9.5 Clause 32 – Expedited Hearings for Emergency and Access Issues

Section 75 of the Act (applications to Director) is amended by adding the following subsections after subsection (4):

75(4.1) If an application to the Director raises a dispute regarding access for inspection or repairs under section 23 or 23.1, the Director shall review the application within 2 business days of receipt and, if the matter cannot be resolved informally, shall conduct a hearing within 5 business days, where practicable. The Director may issue an interim order based on the written materials before holding a hearing if the evidence indicates an essential service is at risk of being lost or ongoing significant damage to the property may occur.

75(4.2) If an application concerns an urgent matter referred to in section 86(a) or (b) (immediate risk to health, safety or property), the Director shall review the application

within 24 hours of receipt and, if a hearing is required, schedule it to occur within 48 hours, where practicable. Any interim order made without notice is returnable for review within 3–5 business days upon request of a party.

(These provisions formalize a "fast lane" for emergency and access issues: access disputes triaged within 2 days and heard in 5 days; emergencies reviewed in 24 hours and heard in 48 hours, with quick return hearing if an ex parte order was made.)

9.6 Clause 33 – Clarification of "Immediate Risk" for Emergency Orders

Section 86 of the Act (Director's order without hearing in urgent cases) is amended by adding the following after clause (c):

(d) For the purposes of paragraphs 86(a) and (b), **"immediate risk"** includes:

(i) severe property damage;

(ii) threats to the safety of occupants or others; or

(iii) a serious breach of the tenancy agreement that poses an imminent risk to persons or property, **supported by evidence prescribed by regulation**.

(This definition guides the Director on when it is appropriate to issue an ex parte emergency order, linking to a regulation for any evidentiary requirements.)

9.7 Clause 34 – "Repeatedly Late" Rent Defined

Clause 61(1)(b) of the Act (termination for repeated late payment) is repealed and replaced with:

61(1)(b) the tenant has been **repeatedly late** in paying rent, meaning the tenant has failed to pay the rent in full by the third day after the due date on **three or more occasions within any 12-month period**, and has received a written warning notice after the second such occasion advising that a third late payment could result in termination. *(For this purpose, if the rent due date falls on a non-business day, payment on the next business day is not a late payment.)*

(This provides an objective standard: three late payments (with a short grace period) in a year, plus a required warning after the second instance.)

9.8 Clause 35 – Significant Damage and Repair Timeline in Termination for Cause

Section 61(1)(f) of the Act is amended by striking out "unreasonable damage" and substituting "**significant damage**," and by adding "(and, where the tenant could reasonably repair the damage, has not done so within a reasonable period or as prescribed by regulation)" after "to the residential property".

The amended Act will look like:

(f) the tenant or a person permitted on the residential property by the tenant has caused **significant damage** to a rental unit or the residential property, and, where the tenant could reasonably repair the damage, has not done so within a reasonable period or as prescribed by regulation;

(This aligns the termination ground with the new definition of significant damage and clarifies that a tenant's failure to repair within a prescribed timeline is relevant.)

9.9 Clause 36 – End-of-Tenancy Damage Documentation

Section 38 of the Act is amended by adding the following after subsection (6):

38(7) Where a landlord intends to claim any amount from a security deposit in respect of damage to the rental unit or residential property, the landlord shall, within the time required by subsection 40(1), provide to the tenant a completed move-out condition inspection report along with any supporting documentation, including itemized estimates or invoices for repairs and date-stamped photographs or videos, as prescribed.

(This creates a clear requirement for landlords to provide proof of damage and costs at end of tenancy, to distinguish damage claims from rent arrears claims.)

9.10 Clause 37 – Allocation of Security Deposit (Damage vs. Rent) and Deemed Acceptance

Section 40 of the Act is amended by adding the following subsections after subsection (1):

40(1.1) Priority to damage.

(1.1) Where a landlord has provided the documentation required by section 38(7) and

submits evidence that the tenant has caused **undue damage** (beyond reasonable wear and tear) as defined in the regulations, the security deposit shall be allocated first to the cost of repairing that damage, and only any remaining balance of the deposit may be applied to unpaid rent, unless the Director orders otherwise.

40(3.1) Deemed consent to damage claim.

(3.1) Despite clause 40(1)(b), a landlord may retain from the security deposit an amount not exceeding the documented cost of repairs without further application to the Director if:

(a) within the time required by subsection 40(1), the landlord has served on the tenant a Notice of Intended Allocation of Security Deposit (Damage First), in the approved form, together with the documents specified in subsection 38(7); **and**

(b) the tenant does not deliver a written dispute of the claim to the landlord within 7 days after service of that notice.

40(3.2) Dispute requires application.

(3.2) If a tenant delivers a written dispute within the 7-day period under subsection (3.1)(b), the landlord must apply to the Director under section 75 for an order respecting the security deposit within the time required by subsection 40(1), failing which the deposit (or remaining balance) shall be dealt with as provided in subsection 40(1).

40(3.3) No double recovery.

(3.3) A landlord or tenant may make a claim for additional compensation for damage under section 85 (Director's order for compensation) despite any amount retained from the security deposit. However, any compensation awarded by the Director or a court for damage shall be reduced by the amount already retained or paid out of the security deposit for that damage, to prevent double recovery by the landlord, and any amount paid under one order shall be credited against the other.

(These provisions prioritize documented damage claims over rent claims on the deposit and establish a "deemed agreement" process where tenants who do not dispute within 7 days effectively concede the claim. It also ensures landlords can't recover the same damages twice.)

9.11 Clause 38 – Offence for Significant Damage by Tenant.

The Act is amended by adding the following section after section 106:

106.1 Offence – significant damage

(1) A tenant, or a person permitted on the residential property by the tenant, who wilfully, recklessly or negligently causes **significant damage** (as defined in the regulations) to the rental unit or residential property commits an offence.

(2) On summary conviction, such person is liable to a fine of not more than $25,000, and the court may, in addition, order the person to pay restitution to the landlord for any loss or expense incurred as a result of the offence.

(3) Any restitution ordered under subsection (2) shall be credited against any compensation ordered under this Act to prevent double recovery. (4) Subsection 61(2) of the Act (relating to domestic violence as a defense to property damage) applies, with necessary modifications, to an offence under this section.

(This creates a specific offence for egregious tenant-caused damage, with a high fine and restitution, while ensuring that tenants experiencing violence are not unfairly penalized for damage resulting from abuse (per s.61(2) of the Act).)

9.12 Clause 39 – Regulation-Making Powers (Maintenance and Safety)

Section 107(1) of the Act is amended by adding the following clauses after clause (ii):

(ii.1) prescribing access scheduling windows, frequency limits for routine inspections, alternate times for entry, and evidentiary requirements for access disputes (for the purposes of section 23.1 and expedited hearings);

(ii.2) prescribing evidence requirements and timelines for emergency applications under section 86 (to support clause 86(c) and defined “immediate risk” cases);

(ii.3) prescribing residential maintenance standards, response timelines, evidence requirements, abatement guideline scales, and the interaction of outstanding maintenance orders with rent control (for the purposes of sections 28.1–28.5 of the Act);

(ii.4) prescribing requirements for move-in and move-out condition inspection reports, including requirements for date-stamped photographs or videos;

(ii.5) prescribing the interpretation of "late payment" for the purposes of section 61(1)(b), including any grace period, the form and content of a Notice of Late Payment Warning, criteria for exceptional circumstances excusing lateness, and procedures for aligning rent due-dates with income payment cycles;

(ii.6) prescribing the form and content of a Notice of Intended Allocation (Damage First) under section 40(3.1), documentation standards for damage claims, and timelines for deemed consent (and any adverse inferences if inspection or reporting requirements are not met).

9.13 Regulations – Maintenance, Repairs, and Safety

Pursuant to the above authority, the Lieutenant Governor in Council is expected to establish detailed regulations, including but not limited to:

Access & Inspections Regulation

Standardizing entry provisions: allowable entry hours (e.g. 9 a.m. to 9 p.m.), maximum frequency of routine inspections (e.g. quarterly unless there is cause), and requiring tenants who deny a proposed time to offer alternate times within a set period. This regulation will also prescribe acceptable evidence in access disputes (such as proof of notice delivery, photographs of posted notices, etc.) and may impose administrative penalties for bad-faith obstruction by either party.

PART X — ACCESS FOR REPAIRS AND INSPECTIONS

X.1 Interpretation

(1) In this Part:

(a) "Act" means the Residential Tenancy Act;

(b) "entry window" means the period during which the landlord may enter the rental unit for the stated purpose in the notice under section 23 of the Act.

X.2 Reasonable entry duration

(1) The duration of an entry shall be no longer than reasonably necessary to complete the stated purpose.

(2) Without limiting subsection (1), the following durations are generally considered

reasonable:

(a) routine inspection: up to 60 minutes;

(b) minor repair (e.g., appliance service, fixture replacement): up to 2 hours;

(c) major repair or multi-trade work (e.g., plumbing overhaul, electrical rewiring): up to 4 hours, or longer if justified by complexity and noted in the notice.

X.3 Notice requirements

(1) A landlord giving notice under section 23 of the Act shall:

(a) state the purpose of entry and the estimated duration;

(b) propose a time between 9:00 a.m. and 9:00 p.m.;

(c) provide at least 24 hours' written notice, unless the Act permits shorter notice for emergencies.

X.4 Tenant cooperation

(1) Where a tenant objects to the proposed time, the tenant shall, within two business days, offer at least two alternate time windows that:

(a) fall between 9:00 a.m. and 9:00 p.m.; and

(b) are reasonable in light of the stated purpose and the landlord's legal obligations.

X.5 Landlord cooperation

(1) A landlord shall make reasonable efforts to accommodate alternate times proposed by a tenant under section X.4.

(2) A landlord who refuses all alternate times shall:

(a) provide written reasons within two business days; and

(b) include any supporting evidence (e.g., contractor availability).

X.6 Factors for reasonableness

(1) In determining whether a proposed or alternate time is reasonable, the Director may

consider:

(a) the urgency and nature of the work;

(b) the tenant's work schedule, caregiving responsibilities, or other bona fide constraints;

(c) the availability of qualified tradespersons;

(d) any other relevant circumstance.

X.7 Administrative penalties for obstruction

(1) For the purposes of section 93 of the Act, the following constitute contraventions:

(a) a tenant's bad-faith refusal or failure to propose alternate times under section X.4;

(b) a landlord's bad-faith refusal to accommodate reasonable alternate times under section X.5.

(2) The Director may impose an administrative monetary penalty up to $500 for a contravention under subsection (1), having regard to:

(a) whether the conduct was repeated or deliberate;

(b) the impact on repairs or habitability;

(c) any prior warnings or orders.

X.8 Guidance publication

(1) The Director shall publish plain-language guidance annually, including:

(a) examples of reasonable durations for common repairs and inspections;

(b) examples of acceptable alternate time proposals;

(c) a summary of enforcement options for bad-faith obstruction.

Residential Maintenance Standards Regulation: Defining minimum standards for key aspects of habitability, for example: a minimum indoor temperature (e.g. ≥ 21°C in heating season), minimum hot water temperature (e.g. ≥ 45°C), functioning plumbing and safe electrical systems, structural soundness and weatherproofing, pest and mold control, and

functioning smoke alarms and CO detectors. This regulation will mirror local property standards bylaws and provincial health/safety codes. It will also reiterate the required repair response times: 24 hours for emergencies, 7 days for urgent issues, 14 days for non-urgent, subject to extension by the Director for good cause (e.g. documented supply chain delays, tenant refusal of access, or force majeure). Additionally, it will set guidelines for calculating proportional rent abatements based on severity and duration of defects (e.g. a schedule from 0% up to 50% abatement, or 100% if unit is uninhabitable). Finally, it will codify that no rent increase may take effect while a maintenance order is outstanding, and that the Director must screen any above-guideline increase application for unresolved maintenance issues (deferring such rent increases until compliance).

Late Payment Regulation: Clarifying when rent is considered late (e.g. rent is late if not fully paid by 11:59 p.m. on the 3rd day after it is due, or the next business day if the third day falls on a weekend or holiday). This regulation will also provide for a **"Notice of Late Payment Warning"** form that a landlord must give after the second late payment in 12 months, and define **"exceptional circumstances"** that can excuse a late payment (such as a documented bank error or delay in social assistance payment), along with a requirement that the tenant notify the landlord within 2 business days of such circumstances and provide proof within 10 days. It will also allow a tenant one opportunity per tenancy to request alignment of the rent due date with their periodic income (to help those paid on a monthly cycle different from the lease date).

Security Deposit (Damage) Regulation: Establishing the approved form and content for the **"Notice of Intended Allocation (Damage First)"** that a landlord serves to invoke the deemed consent process for deposit deduction. It will detail the documentation required (the same as section 38(7) – inspection report, itemized bills, photos), and specify that if a landlord fails to provide a move-in or move-out inspection report as required, a rebuttable presumption arises that any disputed damage did not occur or was not the tenant's responsibility. It will confirm the 7-day tenant dispute window and outline that if the tenant does dispute, the landlord must file a claim or else lose entitlement to retain the deposit. It will also emphasize crediting of any deposit retention against damage awards to avoid double recovery.

Significant Damage & Restitution Regulation: Defining **"significant damage"** (for the offence in section 106.1 and related termination ground) with a clear monetary or impact threshold – e.g. damage requiring repairs exceeding the greater of $1,000 or one-half of one month's rent, or any damage that causes an essential service (heat, water, electricity) to be unusable for over 24 hours due to the tenant's act or omission. It may also incorporate evidentiary rules, such as if the landlord failed to do a move-in inspection with photos, the

burden to prove the tenant caused certain damage is higher (to prevent abuse). The regulation will coordinate any administrative monetary penalties (AMPs) under the Act with the prosecution of the offence to avoid "double punishment or recovery" – for instance, if an AMP is issued for the damage, that amount could be credited against any fine or restitution in court.

Amendments to Existing Regulations: The standard Residential Tenancy Regulations will also be amended to require **condition inspection reports** at the start and end of tenancy (in approved form with photos/video) and deadlines for providing copies to the tenant (mirroring the obligations now in Act ss. 18 and 38). Additionally, a new procedure will be added to the Regulations requiring the Director, before approving any above-guideline rent increase, to check if there are outstanding maintenance orders on the unit and, if so, to delay the effective date of the increase until compliance (this reinforces section 28.5 of the Act).

(The above regulatory frameworks are to be drafted in detail by the Lieutenant Governor in Council, in consultation with stakeholders, to ensure that the intent of Part IV is fully realized in practice.)

10 Part V – Tenancy Management and Disputes

10.1 Overview

Part V modernizes various day-to-day rules governing tenancies and streamlines dispute resolution processes for common issues. It provides long-requested statutory definitions to bring clarity to contentious terms: "reasonable wear and tear" vs. "undue damage," and what constitutes "significant damage," giving both landlords and tenants clearer expectations about property condition and liability. It also defines "repeatedly late" rent with an objective test (three late payments in 12 months, after a warning) so that both parties know the threshold for this termination ground.

Part V overhauls the process for dealing with a tenant's abandoned property. Instead of leaving landlords to navigate complex rules and liabilities, it centralizes abandoned goods management under the Director. Landlords will now simply notify the Director within 48 hours if a unit is abandoned with belongings, and the Director will take custody, arrange storage, and operate a digital claims portal to return items to owners or dispose of unclaimed goods after a standard period. This relieves landlords of legal risk and ensures tenants (or former tenants) have a fair chance to reclaim possessions via an efficient

system. The framework includes special provisions for abandoned mobile homes and protection of secured creditors' rights, given the complexity of those situations. Importantly, once the landlord hands over the items, they are immunized from liability for what happens after, provided they gave proper notice to the Director. This innovation will create a consistent, professional process, with potential cost recovery through nominal fees and sale proceeds, while also including hardship waivers to protect vulnerable tenants.

Additionally, Part V addresses security deposit disputes by introducing a "damage-first" allocation rule and a fast-track for undisputed claims. This ensures that when there are both rent arrears and damage, the deposit goes to repairs first (so landlords aren't left with unrepaired damage), and if the tenant doesn't dispute documented damage within a week, the landlord can apply the deposit without a formal hearing. There are also safeguards against double recovery and clear timelines for tenants to contest, making the process fair and efficient on both sides.

In sum, Part V delivers clearer rules for late rent and damage, a far more efficient system for abandoned property, and improved mechanisms to resolve end-of-tenancy matters – all of which reduce friction and foster a more equitable management of tenancies.

10.2 Clause 40 – Definitions (Wear and Tear, Damage)

Section 1 of the Act is amended by adding the following definitions:

(x.1) **"reasonable wear and tear"** means deterioration or PART depreciation of property that occurs naturally with age or normal use, despite reasonable maintenance, and does not result from neglect, abuse or accident by the tenant. *(For example, minor scuffs on floors or fading of paint from sunlight are generally reasonable wear and tear.)*

(x.2) **"undue damage"** means damage to the rental unit or residential property, beyond reasonable wear and tear, caused by the tenant or a person the tenant permitted on the property, which the tenant could reasonably have avoided or prevented. *(It includes significant damage arising from neglect or misuse, but excludes damage proven to have resulted from a risk contemplated by the landlord's obligation to repair (e.g. aging infrastructure).)*

(x.3) **“significant damage”** means undue damage that causes a serious impairment of the rental unit or property or requires repairs the cost of which exceeds $1,000 (or such other amount prescribed by regulation). *(Significant damage may include, for example, destruction requiring replacement of major appliances, holes punched in walls requiring professional repair, or damage that makes the unit temporarily uninhabitable.)*

(These definitions are intended to provide clear standards for adjudication and responsibility. The monetary threshold in “significant damage” can be adjusted by regulation.)

10.3 Clause 41 – Abandoned Personal Property (Centralized Process)

Section 43 of the Act is repealed and replaced with the following:

43. Abandoned personal property

1. A tenant is not entitled to leave personal property in a rental unit or on residential property after the tenancy is terminated or the unit is otherwise vacated by the tenant.

2. Where a landlord discovers personal property left behind in a rental unit or on residential property after a tenancy has been terminated or abandoned, the landlord shall notify the Director, in the approved form, within 48 hours and shall provide the Director or the Director’s agents with reasonable access to the premises for removal of the property as arranged by the Director.

3. This section does not apply if the landlord and tenant have, upon termination of the tenancy, made a written agreement regarding storage of the tenant’s personal property (in which case the agreement governs).

4. Upon receiving notice under subsection (2), the Director assumes custody and control of the abandoned property and shall arrange for its removal, inventory, storage, notification to interested parties, and eventual disposal or sale, all in accordance with this Act and the regulations.

5. The Director may authorize the disposal (including recycling or destruction) of any abandoned property before the prescribed storage period expires if satisfied that:
   (a) the property has no monetary value;

(b) the cost of storage or sale would exceed the likely proceeds of sale; or
(c) the property is unsanitary or unsafe to store.

6. The Director may establish and operate a secure digital portal to facilitate the management of abandoned property. The portal may be used to provide information to owners about how to claim their property, to accept electronic claims or payments of any fees, and to schedule retrieval or delivery of claimed items. Electronic notices provided through such a portal or by email (in accordance with section 100 of the Act) may be used to inform owners of their rights and obligations regarding the property.

7. A person claiming to be the owner of property in the Director's custody may reclaim the property within the prescribed period by providing satisfactory proof of ownership and paying any prescribed fees or costs for removal and storage; however, the Director may waive or defer such fees in prescribed hardship circumstances.

8. If any property is sold by the Director, the Director shall hold the net proceeds of sale in trust for the owner for one year. If unclaimed after one year, the proceeds shall be paid into the provincial Operating Fund; however, a former tenant (owner) may make a late claim for the proceeds to the Minister of Finance within seven years after the remittance, and the Minister of Finance may pay out the claim if satisfied of the person's entitlement.

9. Subject to any right or interest of a secured creditor under the *Personal Property Security Act*, a landlord who has complied with subsection (2) is not liable for any loss of or damage to the property or for any claim arising out of the storage, disposition or sale of the property after the Director has assumed custody.

10. The Director may recover the reasonable costs of removal, storage and administration from the owner of the property as a debt due to the Government, and may deduct such costs from any sale proceeds or (where applicable) from any security deposit held in relation to the tenancy, as prescribed.

10.4 Clause 42 – Abandoned Mobile Homes

Section 44 of the Act is repealed and replaced with the following:

44. Abandoned mobile home

1. This section applies where:
   (a) a tenant has vacated a mobile home or mobile home site in accordance with:
      (i) a notice of termination,
      (ii) an agreement to terminate the tenancy, or
      (iii) an order of the Director; or
   (b) the Director has made an order terminating the tenancy under clause 85(1)(o) (abandonment).

2. Where a mobile home owned by the tenant remains on the residential property after the tenant vacates or the tenancy is terminated as described in subsection (1), the landlord shall notify the Director in the approved form within 48 hours.

3. Upon receiving such notice, the Director shall assume custody and control of the mobile home and shall arrange:
   (a) for notice to be given to the former tenant and any identifiable secured party (such as a financing company holding a lien); and
   (b) for the safe storage, sale or disposal of the mobile home in accordance with this Act and the regulations.

4. After the prescribed notice period to the former tenant and any secured party, the Director may authorize the sale, retention or disposal of the mobile home if:
   (a) no claim or objection has been received;
   (b) the unit is unsafe, unsanitary, or has no reasonable resale value; or
   (c) the costs of storage and sale likely exceed the sale proceeds.

5. Any sale proceeds from a mobile home shall be handled in accordance with subsection 43(8) (trust and remittance of surplus proceeds).

6. Subject to any rights of a secured creditor under the *Personal Property Security Act*, a landlord who has complied with subsection (2) is not liable for loss of or damage to the mobile home or any claim after the Director assumes custody.

(These provisions ensure mobile homes left behind are dealt with under Director supervision, with attention to lienholders and longer timelines due to the higher value of such property.)

10.5 Clause 43 – Director's Program Authority (Abandoned Property)

The Act is amended by adding the following section after section 44:

44.1 Program operations and contracting

1. The Director may enter into contracts or standing offer agreements with third-party service providers for the removal, inventory, storage, sale, disposal, cleaning, and/or delivery of abandoned personal property or mobile homes.

2. The Director may establish administrative procedures, approved forms and practice directives for the effective operation of sections 43 and 44, including procedures for digital identity verification of claimants, chain-of-custody protocols for stored items, and data retention schedules for records related to abandoned property.

(This section enables the Director to operationalize the new abandonment regime by outsourcing logistics to professional firms and setting up necessary processes, including a technology platform, as envisioned in the policy brief.)

10.6 Clause 44 – Regulation-Making Powers (Abandoned Property)

Section 107(1) of the Act is amended by adding the following clauses after clause (pp):

(pp.1) prescribing the form, content and timing of a landlord's notice to the Director under section 43 or 44 (including allowing electronic filing);

(pp.2) respecting the Director's authority to arrange removal, inventory, storage, sale or disposal of abandoned property, including documentation standards (such as photographing and cataloguing items with date-stamps);

(pp.3) prescribing standards for safe storage of abandoned property (e.g. climate control, secure facilities), notice requirements to owners and secured parties (including search of PPSA records), procedures for auction or sale, and criteria for disposal of unsafe or valueless items; also providing for transfer of title and discharge of liens on sold items;

(pp.4) respecting the funding of the Director-managed abandoned property program, including use of sale proceeds and prescribed fees payable by owners reclaiming items, with provisions for hardship waivers or deferrals of fees;

(pp.5) enabling the establishment of the digital claims portal referenced in section 43, including provisions for user authentication, electronic service of notices consistent with section 100, and privacy, security and accessibility requirements for the portal;

(pp.6) prescribing the storage periods and notice periods applicable to personal property

and mobile homes under sections 43 and 44, and conditions under which early disposal may be authorized (e.g. perishable or hazardous items, or unclaimed low-value items after a set time);

(pp.7) any other matter necessary to give effect to sections 43, 43.1 and 44, including data retention, privacy safeguards, and audit requirements for the handling of abandoned property and proceeds.

10.7 Clause 45 – Transitional & Commencement (Abandoned Property)

Transitional – abandoned property provisions

1. Sections 43, 43.1 and 44 of the Act, as enacted by this Part, apply only to tenancies that terminate or are abandoned on or after the date those sections come into force.

2. Any matter relating to abandoned property that commenced under the former sections 43 or 44 of the Act, and that has not been concluded before the coming into force of the new sections, shall continue to be governed by the former provisions unless the Director, with the consent of all interested parties, elects to proceed under the new provisions.

3. The coming-into-force date of sections 43, 43.1 and 44 may be set by proclamation to align with the establishment of necessary service contracts and the digital portal.

(This ensures a smooth transition so that landlords and tenants are not caught by surprise mid-process.)

10.8 Regulations – Tenancy Management and Disputes

In addition to the regulations outlined in Part IV above (which cover some matters in Part V, such as definitions of damage and late payment procedures), the Lieutenant Governor in Council is expected to implement the following via regulation:

Abandoned Property Regulation: Detailing the procedures for handling abandoned personal property. Key elements will include definitions (e.g. what constitutes “abandoned personal property” and an “inventory”), as well as: landlord’s notice obligations (48-hour timeline and an approved online/paper form, with service and proof rules matching those for other notices under the Act); standards for custody transfer (requiring contracted

vendors to sign chain-of-custody logs when they remove items); inventory requirements (each item or box of items logged with descriptions, estimated value, photos/videos date-stamped); the storage duration (e.g. 30 days for general goods) and early disposal conditions (criteria under which the Director can authorize disposal of specific items immediately – like perishable food, broken furniture, or obvious trash); notice to owners (requiring the Director to send a notice to the former tenant's last known address and email, and to any identifiable email provided, and possibly to post a notice on the portal – with service deemed per section 100 after a certain number of days); how owners can claim items (via the portal or in writing, proving identity and ownership); fees for retrieval or delivery (schedule of fees e.g. $X per day of storage, $Y per item for delivery, capped at a certain amount, and allowing Director to waive for low-income persons); handling of proceeds (net of costs) – trust account details, remittance after 1 year, owner claim up to 7 years); and privacy protections (ensuring any personal information in the portal is secure and only used for returning property, with records of claims kept for a defined retention period then disposed).

Abandoned Mobile Home Regulation: Complementing the above but tailored to mobile homes. It will stipulate that for abandoned mobile homes, the landlord's notice triggers a PPSA (Personal Property Security Act) search by the Director to find any registered secured parties (e.g. a bank with a lien). Notices must be sent to those secured parties (and perhaps published publicly) and a longer waiting period (e.g. 90 days) may be required before sale, to give lienholders time to respond. The regulation will allow the Director to arrange towing and storage of the mobile home (with standards for storage site safety) and then auction or sell the unit if unclaimed after due notice. Title transfer provisions will allow the Director to sign over ownership to a buyer free of liens (after notifying any lienholders), and to provide documents for the buyer to register the home (and potentially to arrange discharge of the lien if the sale didn't cover the debt, according to PPSA processes). Proceeds distribution will follow a similar trust-and-remit model, with lienholders paid in priority as per PPSA, and any residue held for the former owner (tenant) for the prescribed period.

(The above regulatory measures will be finalized by the government following consultation, to ensure the new processes are clear, fair, and operationally sound. Bracketed duplications such as dual mentions of Director approval for heating conversions, and overlapping commencement clauses, have been noted for review but do not alter the substantive rights and duties created by this Part.)

11 Part VI – Terminations and Eviction Integrity

11.1 Overview

Part VI fortifies the integrity of eviction processes, with a focus on preventing bad-faith evictions and ensuring security of tenure for tenants. It targets the scenario of "personal use" evictions (landlords seeking to occupy the unit or have family occupy) – an area prone to abuse when used as a pretext to raise rent or re-rent to someone else. Under these reforms, a landlord serving a personal-use termination notice must sign an affidavit of good faith at the time of giving notice, aligning with requirements already in place for purchaser's use evictions. Moreover, Part VI introduces a groundbreaking measure: the Post-Use Declaration. After a personal-use eviction, within 14 months the landlord must file a statutory declaration with the Director confirming whether they indeed lived in the unit (or their family did) for at least 12 consecutive months as intended.

A bright-line integrity window of 24 months is established: if the landlord or their family fails to occupy the unit for at least 12 months, and they re-rent or sell the property within 24 months of the tenant leaving, bad faith is conclusively presumed. In such case, the Director is mandated to order the landlord to pay the displaced tenant 12 months' rent in compensation as statutory damages. This is a substantial, automatically imposed penalty designed to strongly deter fraudulent evictions and to provide a meaningful remedy to the tenant if one occurs. The Director can enforce this on their own motion – meaning even if a tenant doesn't apply, the Director can initiate proceedings if evidence emerges (for instance, through the new declaration or other records). There is a narrow exception for extenuating circumstances (e.g. a genuine change in the landlord's situation like an unexpected job transfer or illness that prevented them from fulfilling the one-year occupancy), but the landlord cannot have re-rented or sold in the interim and must prove those circumstances on a balance of probabilities.

Part VI also makes the enforcement of these rules more proactive: failure to file the Post-Use Declaration itself is made a ground for an order without hearing (like an administrative default) and an offence subject to fines or administrative penalties. The Director is explicitly empowered to initiate an investigation or proceeding without waiting for a tenant's complaint whenever a declaration isn't filed or suggests bad faith. Additionally, the Act already allowed administrative penalties (AMPs) for unlawful evictions; these reforms complement that by adding a criminal offence for knowingly filing a false declaration and by requiring the Director's annual report to track metrics on these issues.

In summary, Part VI creates one of the strongest anti-eviction-fraud regimes in Canada: combining upfront affidavits, mandatory follow-up verification, severe financial penalties (12 months' rent) for violations, and active enforcement by authorities. This provides tenants with confidence that "personal use" evictions will be genuine or very costly for landlords who abuse them, thereby balancing the new vacancy decontrol provisions with "integrity" measures to protect tenants from unfair displacement.

11.2 Clause 46 – Affidavit Requirement for Personal-Use Evictions

Section 62 of the Act (landlord's notice to end tenancy for personal use) is amended by adding the following after subsection (3):

62(3.1) When giving a tenant notice of termination under this section, the landlord shall provide to the tenant, in the approved form, a **sworn affidavit** attesting to the landlord's good-faith intention that the rental unit will be occupied for the purposes set out in subsection 62(1) (i.e. as the principal residence of the landlord or their family member) for a period of at least one year.

(This aligns personal-use evictions with purchaser-use evictions, which already require an affidavit.)

11.3 Clause 47 – Filing of Affidavit with Director

Section 62 of the Act is further amended by adding the following after subsection (3.1) (as enacted above), and by renumbering the existing subsection 62(4) as 62(5):

62(4) The Director may require that at the time a notice of termination under this section is served, the landlord file with the Director the affidavit referred to in subsection (3.1), together with any other information prescribed by the regulations.

(This gives the Director oversight at the time of notice – the landlord might have to submit the affidavit to the Director as well, enabling record-keeping and follow-up.)

11.4 Clause 48 – Personal Use Eviction Integrity Measures

The Act is amended by adding the following after section 65:

65.1 Personal use integrity – mandatory post-eviction review

1. Application – This section applies where a landlord has given a tenant a notice of termination under section 62 (landlord's personal use) or section 63 (purchaser's use).

2. Post-use declaration – Within 14 months after the termination date specified in a notice of termination under section 62 or 63, the landlord shall file with the Director a declaration, in the approved form, confirming whether the rental unit was occupied by the landlord (or, where applicable, the landlord's family member or the purchaser or purchaser's family member under section 63) as a principal residence during the 12-month period following the termination, and including such supporting evidence as may be prescribed.

3. Conclusive presumption of bad faith – It is conclusively presumed that a landlord who gave a notice of termination under section 62 or 63 did so in bad faith if, within 24 months after the former tenant vacated the rental unit:
   (a) neither the landlord, nor the purchaser, nor any family member referred to in section 62(1) occupied the rental unit as a principal residence for at least 12 consecutive months commencing within a reasonable time after the termination; or
   (b) the landlord advertises the rental unit for rent, re-rents the rental unit to someone other than the former tenant, or sells the rental unit or the residential property containing the rental unit (unless paragraph (a) has already been satisfied prior to that action).

4. Mandatory compensation order – Where subsection (3) applies (bad faith presumed), the Director shall order the landlord to pay the former tenant an amount equal to 12 months' rent at the last lawful rent payable for the rental unit. In addition, the Director may make any other order under section 85 (compensation or other remedial orders) and may impose an administrative monetary penalty under section 93, as appropriate.

5. Director's own motion – The Director may make an order under subsection (4) on the Director's own initiative, whether or not an application has been made under section 75, if the Director becomes aware that subsection (3) applies or that the landlord has failed to comply with subsection (2).

6. Extenuating circumstances – The Director may decline to make an order under subsection (4) (or may order a lesser amount of compensation) if the landlord establishes, on a balance of probabilities, that extenuating circumstances beyond

the landlord's control prevented compliance with the requirements of subsection (3)(a) or (b), and that the landlord did not re-rent the unit or sell the property within the 24-month period. The Director shall set out any such circumstances and reasons in the written decision.
(Examples of possible extenuating circumstances could include a sudden change of plans due to health emergency or employment relocation, provided the property was not re-let or sold in the interim.)

7. Offence for false declaration – A person who knowingly files a false declaration under subsection (2) commits an offence under section 106 of the Act.

8. Extended limitation period – Despite subsection 65(2) of the Act (one-year limit for tenant's bad-faith application), an application under section 75 alleging a matter under this section may be made within 30 months after the former tenant vacated the rental unit.

(This extension ensures tenants have time to come forward even after the usual one-year period, given that evidence of misuse might only arise after a year or more.)

11.5 Clause 49 – Director's Enforcement Powers (No Application Required)

Section 75 of the Act (applications to Director) is amended by adding the following after subsection (1):

75(1.1) The Director may initiate a proceeding under this Part, without an application by a landlord or tenant, to determine any matter arising under section 65.1, including whether a landlord has failed to file a declaration required under subsection 65.1(2).

11.6 Clause 50 – Order Without Hearing for Failure to File Declaration

Section 86 of the Act (Director may make order without hearing in certain urgent cases) is amended by adding "or" at the end of clause (b), by replacing the period at the end of clause (c) with "; or", and by adding the following clause:

86(d) the landlord has failed to file a declaration required under subsection 65.1(2) of the Act.

(This empowers the Director to make an immediate order (e.g. an AMP or other

enforcement action) if a landlord ignores the obligation to file the post-eviction declaration, treating it akin to an urgent breach.)

11.7 Regulations – Terminations and Eviction Integrity

The Residential Tenancy Regulations are amended to support the above provisions as follows:

Post-Use Declaration Form and Evidence

A new section (likely section 11 in the Regulations, if not already used, or the next available number) is added:

11. Post-use declaration (personal use evictions)

1. A landlord who has given a notice of termination under section 62 or 63 of the Act shall file a Post-Use Declaration with the Director, in the approved form, within 14 months after the termination date specified in the notice.

2. The landlord shall attach to the declaration at least two of the following evidentiary documents in support of their claimed occupancy (or non-occupancy) of the rental unit during the relevant period:
   (a) copies of utility bills for the rental unit address showing continuous service in the name of the occupying party during the period;
   (b) a municipal or provincial record indicating the property was classed as owner-occupied or as a principal residence for the period;
   (c) government-issued identification (e.g. driver's license or health card) of the occupying person showing the rental unit address;
   (d) insurance documents indicating homeowner or primary residence coverage for the unit;
   (e) any other document acceptable to the Director as proof of occupancy.

3. For the purposes of section 65.1 of the Act, "principal residence" means the dwelling that is ordinarily occupied by a person as their main home, including any temporary absence for work, education, health treatment or similar reasons.

4. The landlord shall serve a copy of the filed declaration on the former tenant at the last address provided by the tenant (or by an alternative method under section 100 of the Act if the tenant's current address is unknown) at the time the declaration is

filed with the Director.

5. Failure by the landlord to file the declaration by the deadline in subsection (1), or failure to provide at least two supporting documents satisfactory to the Director, constitutes a contravention for which the Director may impose an administrative penalty under section 93 of the Act.

6. For the purposes of clause 93(2)(b) of the Act, when determining the amount of an administrative monetary penalty for failing to comply with section 65.1 of the Act or this section, the Director shall have regard to the factors in subsection 93(2) (severity of impact, repeat behaviour, etc.).

(This regulation specifies the form and evidence for the new declaration. It ensures landlords know what proof is expected, and gives a definition of "principal residence" consistent with common understanding.)

Approved Forms

The Regulations are amended to authorize new forms related to these provisions. For example:

Approved forms and guidance – personal use evictions
The Director may approve and publish:
(a) a "Personal Use Eviction Affidavit" form for use under section 62(3.1);
(b) a "Post-Use Declaration" form for use under section 65.1;
(c) guidance on acceptable evidentiary documents under subsection 11(2) of the Regulations (Post-Use Declaration).

(This ensures standardized forms are used, making it easier to administer and comply.)

(No further changes to compensation amounts in regulations are needed, as the 12 months' rent is set by the Act. The regulation primarily handles process and proof. The transitional note: these provisions will apply only to notices given after the Part comes into force; likely the Act will be proclaimed with some lead time so landlords are aware of the new rules. Duplications have been noted – e.g., the phrase "or if unit is advertised/rented/sold within 24 months" in Act vs. reg – but they are consistent and intended. Commencement can be aligned to ensure forms and systems (like the registry and affidavit filing) are ready.)