



# Dispute Resolution Services

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Residential Tenancy Branch  
Office of Housing and Construction Standards

## **DECISION**

Dispute Codes      ARI

### Introduction

This is an application for an additional rent increase.

A substantial amount of documentary evidence, photo evidence, and written arguments has been submitted by the parties prior to the hearing. I have thoroughly reviewed all submissions.

I also gave the parties the opportunity to give their evidence orally.

All testimony was taken under affirmation.

### Issue(s) to be Decided

The issue is whether or not to allow a 140.6% increase over and above the allowable rent increase of 2.2%, for a total increase of 142.8%, raising the rent from \$350.00 per month to \$850.00 per month.

### Background and Evidence

The applicant testified that:

- This tenancy began on February 1, 2013, and at that time the agent in charge agreed to a monthly rent of \$350.00.
- They do not know why that agent would've agreed to rent of \$350.00, when the market value of the rental unit is obviously much higher.
- It's now the Public Guardian and Trustee's position that market rent should be collected from this rental unit.

- They have done comparisons of rental units in the same geographic area, and have also had an appraisal done of the property, they have determined that fair market rent for this rental unit should be approximately \$850.00 per month.
- They attempted to come to an agreement with the tenant for an increase in the rent however they were unable to do so and therefore they have applied for an Additional Rent increase.

The respondent testified that:

- She wrote a letter to the Public Guardian and Trustee stating that she wanted to rent this unit, and she was accepted as a tenant as of February 1, 2013 at a monthly rent of \$350.00.
- She does not believe it's reasonable for the landlord's to now expect her to pay more than double that amount less than one year later, as this would cause her considerable hardship.

### Analysis

It's my decision that I will not allow the landlord's request for an Additional Rent increase.

Additional rent increases are only allowed in exceptional circumstances, such as where there has been a long-term tenancy during which the rent was not increased for that full-term. Then it might be reasonable to increase the rent to bring it in line with other comparable rental units in the same geographical area.

In this case however, the landlord chose to set the rent at \$350.00 less than a year ago, even though they could easily have determined, at the beginning of the tenancy, that comparable rents in the same geographical area were much higher.

It's my finding therefore that this is not in exceptional circumstance, the tenant offered to pay \$350.00, and the landlords agreed to accept that amount for this rental unit, and it's my finding that they are bound by that decision.

The landlords may therefore only raise the rent by the 2.2% amount allowed under the Residential Tenancy Act.

Conclusion

This application for an Additional Rent increase is dismissed.

This decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under Section 9.1(1) of the *Residential Tenancy Act*.

Dated: January 20, 2014

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Residential Tenancy Branch

