



# Dispute Resolution Services

Residential Tenancy Branch  
Office of Housing and Construction Standards

A matter regarding North Horizon Investments Ltd  
and [tenant name suppressed to protect privacy]

## **DECISION**

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### Introduction

This hearing was convened in response to an application by the Landlord pursuant to section 43 of the *Residential Tenancy Act* (the “Act”) for an Order for an additional rent increase.

None of the Tenants appeared. I accept the Landlord’s evidence that the Tenants for units 212, 214, 317, 318, and 319 were served with the application for dispute resolution and notice of hearing *in person* in accordance with Section 89 of the Act. The Landlord states that the Tenants for units 117 and 210 were served by slipping the documents under the door of the unit. Section 89 of the Act provides that an application for dispute resolution may be served to a tenant in person or by registered mail. As the Landlord did not serve the Tenants for units 117 and 210 in accordance with the Act, I dismiss the application in relation to these two units with leave to reapply.

The Landlord was given full opportunity to be heard, to present evidence and to make submissions.

### Issue(s) to be Decided

Is the Landlord entitled to an order for an additional rent increase for the units it owns?

### Background and Evidence

The Landlord bought the units in November 2013 and wishes to raise the rent over the allowable percentage in order to have the rents comparable both with other units that

are owned by the Landlord in the building and with other units in the area. All the units have heat, hot water and parking included.

The tenancy for unit 212, a one bedroom unit, started on July 1, 2012. Monthly rent of \$595.00 is currently payable and no rent increase has ever been given in relation to this unit. An allowable increase of 2.2% would increase the rent by approximately \$13.00 and the Landlord requests an increase of \$25.00 per month to \$620.00.

The tenancy for unit 214, a one bedroom unit, started on November 15, 2010. Monthly rent of \$590.00 is currently payable and the last rent increase occurred in April 1, 2013. An allowable increase at the current rate of 2.2% would increase the rent by approximately \$13.00 and the Landlord requests an increase of \$25.00 per month to \$620.00.

The tenancy for unit 318, a one bedroom unit, started on May 1, 2010. Monthly rent of \$585.00 is currently payable and the last rent increase occurred in July 1, 2012. An allowable increase at the current rate of 2.2% would increase the rent by \$12.87 and the Landlord requests an increase of \$40.00 per month to \$625.00.

The tenancy for unit 319, a one bedroom unit, started on January 1, 2006. Monthly rent of \$550.00 is currently payable and the last rent increase occurred in April 1, 2010. An allowable increase at the current rate of 2.2% would increase the rent by \$15.40 and the Landlord requests an increase of \$75.00 per month to \$625.00.

The tenancy for unit 317, a two bedroom unit, started on October 1, 2011. Monthly rent of \$700.00 is currently payable since the last rent increase on April 1, 2013. An allowable increase at the current rate of 2.2% would increase the rent by \$15.40 and the Landlord requests an increase of \$25.00 per month to \$725.00.

The Landlord provided no evidence of rents from similar units in the building that are not owned by the Landlord. The Landlord provided copies of rental advertisements from

one and two bedroom units in the area. One bedroom units are advertised for rent on a range of \$600.00 to 719.00. Two bedrooms are being advertised at a range of between \$720.00 and \$780.00.

### Analysis

Section 43 of the Act provides that in the circumstances prescribed in the regulations, a landlord may request the director's approval of a rent increase in an amount that is greater than the amount calculated under the regulations by making an application for dispute resolution. Section 23 of the Regulations provides that a landlord may apply for an additional rent increase if, after the rent increase allowed, the rent for the rental unit is significantly lower than the rent payable for other rental units that are similar to, and in the same geographical areas as the rental unit.

Given that after the allowable rent increases for the one bedroom units numbered 212, 214, 318 and 317 result in a range of approximately \$565.00 to \$608.00 and the rents being sought for other units are primarily between approximately \$600.00 to \$700.00, I find that the Landlord has not shown that after the allowable rent increase the rents are significantly lower than other similar units. In making this determination, I note that the Landlord's evidence of rental rates are based on advertised rental rates which do not reflect actual rates and could be higher than eventually obtained.

Given that the two bedroom unit after the allowable increase results in a rental rate of approximately \$715.00 and considering that the Landlord provided evidence of other two bedroom units being advertised at rates between \$720.00 and 780.00, and again considering that the advertised rates are not evidence of the rental rates ultimately obtained, I find that the Landlord has not shown that after the allowable rent increase the rents are significantly lower than other similar units.

As the Landlord's evidence does not show a significantly lower rental rate for any of the units, I dismiss the Landlord's application.

Conclusion

The Landlord's application 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: August 08, 2014

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Residential Tenancy Branch