



# Dispute Resolution Services

Page: 1

Residential Tenancy Branch  
Office of Housing and Construction Standards

A matter regarding Logos Enterprises  
and [tenant name suppressed to protect privacy]

## **DECISION**

Dispute Codes      ARI

### Introduction

This is an application brought by the Landlord requesting an additional rent increase over and above the percentage normally allowed under the Residential Tenancy Regulation.

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

I also gave the parties the opportunity to give their evidence orally and the parties were given the opportunity to ask questions of the other parties.

All parties were affirmed.

### Issue(s) to be Decided

The issue is whether, after the rent increase permitted by the regulation; the rent for the unit is significantly lower than rent payable for other rental units similar to and in the same geographic area, as this rental unit.

Background and Evidence

The parties agree that this tenancy began in January of 2001 and at that time the rent was \$825.00.

The parties also agree that the present rent is \$1020.25.

The landlord testified that they bought this house in August of 2016 from the previous owners who had owned it since 1995.

The landlord further testified that the current tenant has had the benefit of lower rent since renting the unit in 2001; however rents in the Kelowna area having increased significantly over the past number of years and it is her belief that the present market rent for this unit is \$1800.00 per month.

The landlord further testified that she has provided copies of numerous rental advertisements that show that similar rental units are renting at significantly higher rents than what the respondent is presently paying.

The landlord further testified this is a three bedroom two bathroom unit, with a garage, in the central area of town, close to all amenities, and she believes a rent of \$1800.00 per month is justified

The tenant testified that she does not dispute that there may be similar rental units renting for much higher than the amount she is paying; however she also believes there are likely many long term rentals in the area in which the rental price is similar to what she is paying.

Tenant also testified that she believes her rental unit is not completely comparable to the numerous rental units in the advertisements provided by the landlord, stating that her unit is not newly updated or renovated as numerous of the comparables state, and

that the lighting, countertops, kitchen/bath cabinets, pink metal blinds are all original from when the unit was built.

The tenant also pointed out that this unit only comes with a fridge and stove which are at least 16 years old, and that she owns the washer dryer and dishwasher, whereas many of the comparables include all of those appliances.

The tenant also pointed out that many of the comparables have air conditioning, and this unit does not, and that the heating is electric which can be very expensive in the winter months.

The tenant therefore believes that this increase is totally unreasonable and believes that the landlord should be required to only increase the rent by the 2.9% amount allowable under the Act.

### Analysis

The Residential Tenancy Act does allow the landlord to apply for the additional rent increase that exceeds the amount in the regulation, if the landlord can show that the rent for this unit is significantly lower than rents payable for similar units in the same geographic area.

In this case the landlord has provided a significant number of comparables that do show that rents for similar units in the same geographic area are significantly higher than the amount being paid presently by the tenant of this rental unit.

The tenant has argued that she does not believe that the comparables, provided by the landlord, are similar to her rental unit, pointing out that there are many differences in number of appliances, upgrading, and finishing of many of the rental units, that she

believes make the units, the landlord is comparing, superior to hers, and, although I accept that there may be some differences in quality and upgrades, it is my finding that this would not likely significantly change the amount for which this unit could be rented.

I am therefore willing to allow a significant rent increase for this rental unit; however I will not allow the \$1800.00 requested by the landlord as it is my finding that there are numerous units available for less than that amount.

It is my decision therefore that I will allow a rent increase of \$679.75, bringing the total rent to \$1700.00 per month.

### Conclusion

Pursuant to section 43(3) of the Residential Tenancy Act, I order that the landlord may increase the rent on this rental unit by \$679.75, bringing the total rent to \$1700.00 per month. The landlord must still give the tenant the required three-month notice of this rent increase, on the approved form, before the rent increase will take effect.

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 03, 2017

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Residential Tenancy Branch