



# Dispute Resolution Services

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Residential Tenancy Branch  
Office of Housing and Construction Standards

## DECISION

Dispute codes      DRI MNDC

### Introduction

This hearing dealt with the tenants' application pursuant to the *Residential Tenancy Act* (the "Act") for:

- a determination regarding their dispute of an additional rent increase by the landlord pursuant to section 43;
- a monetary order for money owed or compensation for damage or loss under the Act, regulation or tenancy agreement pursuant to section 67;

The hearing was conducted by conference call. The landlord did not attend this hearing, although I waited until 11:15 a.m. in order to enable the landlord to connect with this teleconference hearing scheduled for 11:00 a.m. The tenant attended the hearing and was given a full opportunity to provide affirmed testimony, to present evidence and make submissions.

The tenant testified that on September 27, 2018, a copy of the Application for Dispute Resolution and Notice of Hearing was sent to the landlord by registered mail. The tenant provided a registered mail receipt and tracking number in support of service.

Based on the above evidence, I am satisfied that the landlord was deemed served with the Application for Dispute Resolution and Notice of Dispute Resolution Hearing pursuant to sections 89 & 90 of the Act. The hearing proceeded in the absence of the landlord.

### Issues

Is the rent increase in compliance with the Act?  
Are the tenants entitled to compensation for loss?

### Background & Evidence

The tenancy began on July 1, 2017 with a monthly rent of \$950.00 payable on the 1<sup>st</sup> day of each month.

The tenant testified that the landlord verbally raised the rent by \$25.00 on March 1, 2018 and then again by \$25.00 on August 1, 2018. The tenant paid these increased rent amounts up until September 2018. In total, the tenant paid an extra \$225.00.

The tenant testified that on August 1, 2018, the landlord also issued a Notice of Rent Increase again increasing the rent and additional \$200.00 effective October 1, 2018. The tenant did not pay this increased amount and as of October 1, 2018 began to pay the original rent amount of \$950.00.

### Analysis

Pursuant to section 42 of the Act, a landlord must not impose a rent increase for at least 12 months after whichever of the following applies:

- (a) if the tenant's rent has not previously been increased, the date on which the tenant's rent was first payable for the rental unit;
- (b) if the tenant's rent has previously been increased, the effective date of the last rent increase made in accordance with this Act.

Under this section, a landlord must give a tenant Notice of a Rent Increase at least 3 months before the effective date of the increase and the Notice must be in the approved form.

Pursuant to section 43 of the Act, a landlord may impose a rent increase only up to the amount calculated in accordance with the Regulation, ordered by the Director or agreed to by the tenant in writing. The allowable percentage rent increase for the calendar year 2018 is 4.0%. If a landlord collects a rent increase that does not comply with this Part, the tenant may deduct the increase from rent or otherwise recover the increase.

Each of the rent increases imposed by the landlord, including the two verbal notices, does not meet the requirements of section 42 and 43 of the Act as outlined above. The landlord's notice dated August 1, 2018 was in excess of the maximum allowable percentage increase under the Regulation and did not provide at least 3 months before the effective date of the increase.

Conclusion

The two verbal notices and the Notice of Rent Increase dated August 1, 2018 are hereby cancelled and of no force or effect.

The tenant is awarded \$225.00 for the increased rent payments made. The tenant may deduct a future rent payment in the amount of \$225.00 to satisfy this amount.

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: November 06, 2018

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Residential Tenancy Branch