



Dispute Resolution Services

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Residential Tenancy Branch
Ministry of Housing and Municipal Affairs

DECISION

Dispute Codes PFR

Introduction

This hearing was convened as a result of the Landlord's Application for Dispute Resolution. The Landlord applied for an order of possession for the rental unit in order to perform renovations or repairs that require the rental unit to be vacant, under section 49.2(1) of the *Residential Tenancy Act* ("the Act").

The Landlord and the Tenant attended the hearing and provided affirmed testimony. All parties were provided the opportunity to present evidence orally and in written and documentary form, and to make submissions to me. Both parties confirmed receipt of each other's documentary evidence. I find all documents were sufficiently served.

I have reviewed all oral and written evidence before me that met the requirements of the Rules of Procedure. However, only the evidence relevant to the issues and findings in this matter are described in this Decision.

Issue to be Decided

- Does the tenancy need to end in order for the Landlord to perform renovations or repairs that require the rental unit to be vacant?

Background and Evidence

Not all documentary evidence and testimony will be summarized and addressed in full, unless it is pertinent to my findings.

The Landlord explained that the building that contains this rental unit is around 60 years old and has only had minimal updates over the years. The Landlord is planning to do a

large top to bottom renovation to bring the unit up to code and modernize the electrical, the windows, add a bathroom, and other things. The Landlord listed the following items on her application:

Replacing all single glazed windows, electrical upgrade, interior walls moved for second bathroom, under slab plumbing, new framing, Update current 1/2" water line to 3/4" meter line, insulation, water service upgrade to 1", exhaust fan required, interconnected smoke alarms. Removing old cinder block fireplace. Rental unit is aging and in need of major repairs after 25 years of long term tenants.

The Landlord provided a copy of her building permit, which was issued on March 17, 2025, as well as a letter from her architect, confirming the work.

The Tenant does not feel the renovations are necessary and he believes the Landlord could delay them a while. The Tenant spoke to the fact that there have been some updates over the years. The Tenant also raised a few points in his letter, and in the hearing, such as the fact that the Landlord has changed the address of the rental unit without his permission or consent. However, I do not find any of these issues are relevant to the issue I must determine today.

Analysis

Section 49.2(1) of the Act provides that a landlord may make an application for dispute resolution requesting an order ending a tenancy, and an order granting the landlord possession of the rental unit, if all of the following apply:

- (a) the landlord intends in good faith to renovate or repair the rental unit and has all the necessary permits and approvals required by law to carry out the renovations or repairs;*
- (b) the renovations or repairs require the rental unit to be vacant;*
- (c) the renovations or repairs are necessary to prolong or sustain the use of the rental unit or the building in which the rental unit is located;*
- (d) the only reasonable way to achieve the necessary vacancy is to end the tenancy agreement.*

The Act provides that the director must grant an order ending a tenancy in respect of, and an order of possession of, a rental unit if the director is satisfied that all the circumstances in the above subsection (1) apply.

Residential Tenancy Branch Policy Guideline # 2B Ending a Tenancy to Demolish, Renovate, or Convert a Rental Unit to a Permitted Use provides the following information regarding permits:

When applying to end a tenancy under section 49.2 of the RTA, a landlord must have in place all the permits and approvals required by law to carry out the renovations or repairs that require vacancy before submitting their application.

...

If permits are not required for the change in use or for the renovations or repairs, a landlord must provide evidence such as written confirmation from a municipal or provincial authority stating permits are not required or a report from a qualified engineer or certified tradesperson confirming permits are not required.

With respect to Good Faith, Policy Guideline # 2B Ending a Tenancy to Demolish, Renovate, or Convert a Rental Unit to a Permitted Use provides the following information:

Good faith means a landlord is acting honestly, and they intend to do what they say they are going to do. It means they are not trying to defraud or deceive the tenant, they do not have an ulterior purpose for ending the tenancy, and they are not trying to avoid obligations under the RTA or MHPTA or the tenancy agreement. This includes an obligation to maintain the rental unit in a state of decoration and repair that complies with the health, safety and housing standards required by law and makes it suitable for occupation by a tenant.

With respect to Renovations or Repairs, Policy Guideline # 2B Ending a Tenancy to Demolish, Renovate, or Convert a Rental Unit to a Permitted Use provides the following information:

In Allman v. Amacon Property Management Services Inc., 2006 BCSC 725, the BC Supreme Court found that a landlord cannot end a tenancy to renovate or repair a rental unit just because it would be faster, more cost-effective, or easier to have the unit empty. Rather, it is whether the “nature and extent” of the renovations or repairs require the rental unit to be vacant.

Renovations or repairs that require the rental unit to be vacant could include those that will:

- *make it unsafe for the tenants to live in the unit (e.g., the work requires extensive asbestos remediation); or*

- *result in the prolonged loss of a service or facility that is essential to the unit being habitable (e.g., the electrical service to the rental unit must be severed for several weeks).*

Renovations or repairs that result in temporary or intermittent loss of an essential service or facility or disruption of quiet enjoyment do not usually require the rental unit to be vacant.

Ending the Tenancy Agreement is the Only Reasonable Way to Achieve the Necessary Vacancy

In Aarti Investments Ltd. v. Baumann, 2019 BCCA 165, the Court of Appeal held that the question posed by the Act is whether the renovations or repairs “objectively” are such that they reasonably require vacant possession. Where the vacancy required is for an extended period of time, then, according to the Court of Appeal, the tenant’s willingness to move out and return to the unit later is not sufficient to establish objectively whether vacant possession of the rental unit is required.

In Berry and Kloet v. British Columbia (Residential Tenancy Act, Arbitrator), 2007 BCSC 257, the BC Supreme Court found that it would be irrational to believe that a landlord could end a tenancy for renovations or repairs if a very brief period of vacancy was required and the tenant was willing to move out for the duration of the renovations or repairs.

First, I turn to section 49.2(1)(a). I am satisfied the Landlord has all the necessary permits in place to do the work they are planning to do. These permits are provided into evidence. The good faith intentions will be considered further, throughout this application.

Next, I turn to section 49.2(1)(b) of the Act. I am satisfied that the renovations planned by the Landlord would cause extended utility disruptions for the entire building over an extended period of time. The work in totality is extensive and would take a long time, and be quite messy. I am satisfied that the nature and extent of the repairs are such that it is not reasonable for the Tenant to remain in the unit.

Next, I turn to section 49.2(1)(c) of the Act. I note the Tenant largely feels these renovations are not a necessity. However, I am mindful of the age of the building, and the fact that minimal renovations have been done over the decades of it being a rental unit. I am satisfied that this work is necessary to prolong the use of the rental building, given the age of some of the components.

Next, I turn to section 49.2(1)(d) of the Act. I am satisfied that the extensive nature, combined with the extended duration of the project (and the significant impact to utility service delivery), make this project such that the only way to reasonably complete the work is to end the tenancy. I do not find it is reasonable to allow the tenancy to continue while the Tenant seeks temporary alternative accommodations. I am satisfied that the only reasonable way to achieve the necessary vacancy is to end the tenancy agreement. Overall, given the totality of the evidence in support of the Landlord's intentions and actions, I am satisfied they have a good faith intention to renovate and repair the rental unit, as outlined above. There is no question that significant cost and time has been invested by the Landlord to mobilize this project, and the ensure the law is complied with.

Having determined that all of the requirements in Section 49.2 (1) of the Act are met, I must grant an Order ending a tenancy and an Order of Possession. Therefore, it is Ordered that the tenancies will end on January 31, 2026, unless the Tenant chooses to end it earlier under Section 50 of the Act.

An Order of Possession is issued with this Decision to the Landlord. The Landlord must serve a copy of the decision and the Order of Possession upon the Tenant.

I note the Tenant is stating he wants to move back in after the renovations are complete. However, I turn to policy guideline 2b which states:

I. Right of First Refusal

If the tenancy is being ended under section 49.2 and the residential property has 5 or more rental units, the tenant is entitled to enter into a new tenancy agreement for the rental unit that takes effect once renovations or repairs are complete.

This right is only applicable if there are 5 or more rental units in the building.

Conclusion

The Application for Orders under Section 49.2 of the Act is granted.

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: September 12, 2025

Residential Tenancy Branch