

# **Dispute Resolution Services**

Residential Tenancy Branch  
Office of Housing and Construction Standards  
Ministry of Housing and Social Development

## **DECISION**

**Dispute Codes:** DRI, MNSD, FF

### **Introduction:**

This hearing dealt with an application by the tenant to dispute an additional rent increase and to seek a monetary order for the amount of the security deposit, applicable accrued interest, double amount of the base amount of the security deposit and recovery of the filing fee for the cost of the application.

### **Issues to be Decided**

The central issues to be decided are:

Whether the tenant is entitled to recover rent increases that were not collected in compliance with the *Residential Tenancy Act*?

Whether the tenant is entitled to a monetary order for the amount of the security deposit, applicable accrued interest and double amount of the base amount of the security deposit?

### **Background and Evidence**

On September 1, 2005, the tenants began their tenancy with an obligation to pay a monthly rent of \$700.00 due in advance on the first of each month. On September 2, 2005, they paid a security deposit in the amount of \$350.00.

On August 13, 2006, the landlord issued a notice of rent increase for the amount of

\$50.00 effective December 1, 2006. During the hearing, the tenant said that they had paid a monthly rent in the amount of \$750.00 from December 1, 2006 onward until the end of their tenancy on June 30, 2008.

On July 16, 2008, the tenant provided the landlord with their written forwarding address. The landlord has not returned the security deposit or applied for dispute resolution.

### **Analysis**

Section 43 of the *Residential Tenancy Act* requires the landlord to impose a rent increase only up to the amount calculated in accordance with the regulations. Or the landlord must make an application for dispute resolution to seek approval for an additional rent increase. For 2006, the allowable rent increase calculated in accordance with the regulations is 4%. In this case, the \$50.00 increase over the \$700.00 monthly rent amounts to a 7.14% rent increase. The landlord did not make an application for dispute resolution for the rent increase which is greater than the prescribed amount. The tenant is therefore entitled to recover the amount of the rent increases that were not collected in compliance with the regulations.

Section 38 of the *Residential Tenancy Act* requires that 15 days after the later of the end of tenancy and the tenant providing the landlord with a written forwarding address, the landlord must repay the security deposit or make an application for dispute resolution. If the landlord fails to do so, then the tenant is entitled to recovery of double the base amount of the security deposit. In this case, the tenancy ended on June 30, 2008 and the tenant provided their forwarding address in writing on July 16, 2008. Furthermore, the landlord has failed to repay the security deposit or make an application for dispute resolution within 15 days of receiving the tenant's forwarding address in writing. Based on the above, the tenant is entitled to recovery of the security deposit, accrued interests and double amount of the base amount of the security deposit.

**Conclusion**

I find that the tenant has established a claim for the recovery of rent increase of \$418.00, security deposit of \$350.00, accrued interest of \$11.13, and double the base amount of the security deposit in the amount of \$350.00, for a total of \$1129.13. The tenant is also entitled to recover the \$50 filing fee for this application. I grant the tenant an order under section 67 for the balance due of \$1179.13. This order may be filed in the Small Claims Court and enforced as an order of that Court.

Dated October 06, 2008.