

# **Dispute Resolution Services**

Residential Tenancy Branch Office of Housing and Construction Standards

# DECISION

Dispute Codes RI, O

## Introduction

This hearing dealt with an application by the landlord for an order permitting her to increase the rent by an amount in excess of what is permitted under the Act and Regulation. The tenant represented himself at the hearing and the landlord was represented by her agent, M.W.

#### Issue to be Decided

Should the landlord be permitted to increase the rent?

## Background and Evidence

The facts are not in dispute. The rental unit is in a complex which houses three other units of an identical size. The tenancy began on May 1, 2004 and the tenant paid \$1,200.00 per month until October 2010 at which time the landlord raised his rent by \$50.00 per month. In a hearing held on July 13, 2011, the tenant disputed that rent increase as well as applying for an order setting aside a notice to end the tenancy, an order compelling the landlord to perform repairs and compensation for loss of quiet enjoyment. At the July 13 hearing, the landlord withdrew the notice to end tenancy and agreed to perform the requested repairs. The dispute resolution officer found that the October 2010 rent increase was illegal and set the rent at \$1,238.40 per month and ordered the landlord to return the overpayment. She further found that the landlord had failed to take adequate steps to address a rodent infestation and awarded the tenant \$1,486.08 in compensation.

The landlord argued that two of the four units in the complex are attracting more rent than what is currently paid by the tenant. The occupant of unit 2736 began his tenancy in 2007 paying \$1,300.00 per month and in October 2010 was served with a notice of rent increase increasing his rent to \$1,350.00 per month, which I note is above the amount permitted under the Act and Regulation. The occupant of unit 2716 began his tenancy in June 2010 at a rate of \$1,500.00 per month. The parties agreed that unit 2726 is in the same condition as the rental unit and that unit 2716 has a newer carpet.

The fourth unit in the complex is occupied by an elderly couple on a fixed income who have lived in the complex for many years. The landlord's agent testified that the landlord did not wish to raise their rent as it would impose a significant financial hardship on them.

The tenant argued that the landlord has not provided any improvements to the rental unit other than paying for paint on the condition that the tenant perform the labour painting the unit. The tenant testified that he has painted the unit twice during the tenancy. He further stated that he has not pressured the landlord to improve the unit in any way because the rent was reasonable. He mentioned that the carpet is in very poor condition. The landlord's agent argued that the tenant should not expect a new carpet without a rent increase.

The landlord seeks to raise the tenant's rent to \$1,350.00 per month.

#### <u>Analysis</u>

I accept that units 2736 and 2716 are comparable to the rental unit as they are in the same complex and are an identical size. Although unit 2716 has a newer carpet, I do not find this to be so significant as to make that unit incomparable to the subject unit.

I find that the landlord has proven that the rent for the rental unit is significantly lower than for the comparable units. The landlord seeks to raise the rent not to the rate charged to the party whose suite has newer carpets, but to the rate paid by the party whose carpets have not been recently replaced. If the tenant believes that the carpets have outlived their useful life, he is free to make an application for an order that the landlord repair the carpets, although the parties are urged to negotiate this issue so as to make such an application unnecessary.

Although a notice to end tenancy was recently served on the tenant, I note that it was served because the landlord was contemplating renovations rather than as a result of a contentious issue arising between the parties and I further note that the notice was withdrawn.

As for the tenant's mention of the low rental rate paid by the occupants of the fourth unit, I note that the landlord is not obligated to seek a rent increase for each unit and is free to permit the occupants of the fourth unit enjoy a significantly lower rent.

I have considered the issues required under section 23(3) of the Regulation and I find that the landlord has met his burden of proof. The landlord is permitted to raise the rent

to \$1,350.00 per month. A notice of rent increase in the prescribed form must be served on the tenant at least 3 months prior to the increase taking effect.

**Conclusion** 

The landlord is permitted to raise the rent to \$1,350.00 per month.

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 16, 2011

**Residential Tenancy Branch**