



Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

A matter regarding Winton Terrace Apartments (2013) Ltd.
and [tenant name suppressed to protect privacy]

DECISION

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Introduction

This decision deals with three applications for dispute resolution, two brought by the tenants, and one brought by the landlord. All files were heard together.

The landlord's application is request for an additional rent increase, over and above the yearly amount allowed by the Residential Tenancy Regulations.

The tenant's applications are both applications to dispute the requested rent increase.

Some documentary evidence and written arguments have been submitted by the parties prior to the hearing.

I have given the parties the opportunity to present all relevant evidence, and to give oral testimony, and the parties were given the opportunity to ask questions of the other parties.

All testimony was taken under affirmation.

Issue(s) to be Decided

The issue is whether or not the rents for these rental units are significantly lower than rents for comparable units in the same geographic area, and if so should the rents be raised.

Background and Evidence

The Landlord testified that:

- He has provided evidence that shows the rent for comparable one-bedroom units in this geographic area is significantly higher than the rent being paid by these tenants.
- The average rent for one-bedroom comparable units in the same geographic area is \$707.00; however for that amount they do not get cable television and heat which are both included with these rental units.
- The value of Cablevision per month is approximately \$60.00 before tax and the value of having the heat included is approximately \$30 per month.
- He also believes that the suites in this rental unit are larger and nicer than in other buildings. They have bigger balconies and all the windows have been replaced so these units are significantly upgraded.
- The reason the rents are so low is that the previous building owners did not pursue the regular rent increases allowed by the government, and had they done so the rents for these units would already be more than he is requesting.
- He therefore believes it's reasonable to raise the rent to \$715.00 for each of these one-bedroom rental units.

The tenants testified that:

- She knows of two-bedroom rental units that are both rented for \$700.00 per month, one includes heat, and the other includes cable.
- They also believe that their suites and hallways are smaller than in the other buildings in the area.
- Further, this is an older building with older appliances and fixtures, and there have been problems with the heating system, and as a result one of them has had purchase and oil heater to supplement the heat.
- They believe this is a significant increase it is unreasonable, and will cause hardship such that it's likely they will have to move out of the rental unit.

Analysis

I have reviewed all the information presented and it is my finding the landlord has shown that these rental units are renting for significantly less than comparable rental units in the same geographic area.

The landlord has provided information about comparable units that are renting in the range of \$700.00 per month to \$750.00 per month, some of which do not include cable television, some of which do not include heat and some of which do not include cable television or heat.

The tenants claim that there are two-bedroom rental units renting in the \$700.00 range, however they have provided no evidence in support of these claims.

Therefore it is my finding that an increase in rent to \$715.00 per month is justified.

The reason however, that the rents for these units are significantly lower is because the landlord, whether the previous owner for this owner, failed to give the regular allowable rent increase which would have increased the rent incrementally to, as the landlord

pointed out, more than it is now. Therefore since it is the landlords that have cause the rents to be significantly lower, it is my finding it is not reasonable for the tenants to be burdened with such a large increase all at once, and therefore it is my decision that the increase must be spread over a three-year period.

Conclusion

I order that the landlord may issue an additional rent increase as follows:

- For rent number 1 which is presently \$625.00 per month, the landlord may give an additional rent increase of 4.8% per month for the next three years.
- For rent number 2 which is presently \$600.00 per month, the landlord may give an additional rent increase of 6.39% for the next three years.
- These increases are in addition to the yearly increase permitted by the Residential Tenancy Regulations.
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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: October 21, 2014

Residential Tenancy Branch

