

Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

A matter regarding FRASER MARINE DRIVE HOLDINGS INC. and [tenant name suppressed to protect privacy]

DECISION

<u>Dispute Codes</u> RI

<u>Introduction</u>

This hearing was scheduled in response to an application by the Landlord seeking approval for an additional rent increase that is greater than the amount calculated under the Residential Tenancy Regulation.

Pursuant to section 43(3) of the *Residential Tenancy Act* (the "Act"), the Landlord applied for the increase on the following basis:

After the rent increase permitted by the Regulation, the rent for the rental unit or site is significantly lower than the rent payable for other rental units or sites similar to and in the same geographical area, as the rental unit or site.

Pursuant to section 23(4) of the *Residential Tenancy Regulation* (the "Regulation") in considering the application the director may:

- (a) grant the application, in full or in part,
- (b) refuse the application,
- (c) order that the increase granted under subsection (1) be phased in over a period of time, or
- (d) order that the effective date of an increase granted under subsection (1) is conditional on the landlord's compliance with an order of the director respecting the residential property.

Section 23 (3) of the Regulation requires the director to consider the following factors, when relevant to the particular circumstances in deciding whether to approve an application:

(a) the rent payable for similar rental units in the residential property immediately before the proposed increase is intended to come into effect;

- (b) the rent history for the affected rental unit in the 3 years preceding the date of the application;
- (c) a change in a service or facility that the landlord has provided for the residential property in which the rental unit is located in the 12 months preceding the date of the application;
- (d) a change in operating expenses and capital expenditures in the 3 years preceding the date of the application that the director considers relevant and reasonable;
- (e) the relationship between the change described in paragraph (d) and the rent increase applied for;
- (f) a relevant submission from an affected tenant;
- (g) a finding by the director that the landlord has contravened section 32 of the Act [obligation to repair and maintain];
- (h) whether, and to what extent, an increase in costs with respect to repair or maintenance of the residential property results from inadequate repair or maintenance in a previous year;
- (i) a rent increase or a portion of a rent increase previously approved under this section that is reasonably attributable to the cost of performing a landlord's obligation that has not been fulfilled;
- (j) whether the director has set aside a notice to end a tenancy within the 6 months preceding the date of the application;
- (k) whether the director has found, in dispute resolution proceedings in relation to an application under this section, that the landlord has
- (i) submitted false or misleading evidence, or
- (ii) failed to comply with an order of the director for the disclosure of documents.

The parties were notified of the hearing and had an opportunity to participate and be heard.

Preliminary and Procedural Matters

The Landlord testified that the Tenant in unit #276 voluntarily agreed to accept the rent increase prior to this hearing.

The Tenants who reside in units # 267, #273, and #326 attended the hearing.

The Landlord testified that she sent a copy of her evidence by registered mail to all the Tenants named within the Application. The Landlord provided copies of the registered mail receipts addressed to all seven Tenants.

The parties in attendance confirmed that they exchanged the evidence that I have before me prior to the hearing.

The Tenant in unit #267 raised a concern that she received the Landlord's evidence on March 9, 2017, which is not a full two weeks prior to the hearing as set out in the Residential Tenancy Branch Rules of Procedure.

The Tenant in unit #267 was asked if she had adequate time to consider and respond to the Landlord's evidence. The Tenant was also asked if she is requesting an adjournment for more time to respond to the Landlord's evidence. The Tenant stated that she is not requesting an adjournment and stated that she has had an opportunity to consider and respond to the Landlord's evidence. The Tenant in #267 submitted seven pages of evidence in response to the Landlord's application.

The Tenants in attendance from unit #273, and unit #326 stated that they have received the Landlord's evidence and they have had an opportunity to respond. The Tenants stated that they wanted to proceed with the hearing.

The seven page submission from the Tenant in unit #267 is the only written submission received from Tenants in response to the Landlord's application.

The Tenant in #267 submitted that the spreadsheet document of Tenant information provided by the Landlord contains some inaccuracies because the move in date and the last rent increase date for a few units are less than one month apart.

On March 29, 2017, one week after the hearing, the Residential Tenancy Branch received a 12 page submission from the Tenant in unit #273 who had attended the hearing and provided testimony.

The Notice of Dispute Resolution Hearing served to the Tenants contains information about a party's responsibility and the hearing. The Notice states that evidence to support your position is important and must be given to the other party and to the Residential Tenancy Branch before the hearing. The Notice states that the Residential Tenancy Branch Rules of Procedure apply to the proceedings. Residential Tenancy Branch Rules of Procedure 3.15 states that a respondent's evidence must be received by the applicant and the Residential Tenancy Branch not less than 7 days before the hearing.

The Tenant in unit #273 was asked during the hearing if he had received the Landlord's evidence and had an opportunity to respond. The Tenant responded that he had an opportunity to respond and wanted to proceed with the hearing.

Based on the above, I find that the Tenant's documentary evidence is late. The evidence was not provided to the Residential Tenancy Branch or the Landlord prior to the hearing. As such the Landlord has not had an opportunity to consider the evidence and respond. In the circumstances, I find it would be unfair to consider the Tenant's late evidence. Therefore, the Tenant's late evidence is not accepted and will not be considered in this decision.

The Tenant in unit #267 submitted that she received a letter dated October 31, 2016, from the Landlord seeking a voluntary additional rent increase which was not issued in good faith. She submitted that the letter mentions upgrades, but upgrades are not relevant unless all units are assessed an equal percentage. The Tenant submits this was deceptive.

The Residential Tenancy Policy Guideline #37 Rent Increases (the "Guideline") is intended to help the parties to an application understand issues that are likely to be relevant. The Guideline sets out the factors that must be considered by the director and the parties. The Guideline indicates that unless a Tenant agrees to a rent increase of an amount that is greater than the prescribed amount, a Landlord must apply for dispute resolution for approval to give the additional rent increase. The Guideline indicates the Landlord should obtain the Tenants consent in writing.

The Landlord submitted her Application for Additional Rent Increase on December 28, 2016. The Application requires the Landlord to select the reason that applies to the request. The Landlord selected box A: the rent for the rental unit is significantly lower than the rent payable for other rental units.

I have reviewed the Landlord's letter. The letter indicates the rent is significantly lower than rents for similar units in the building, and also mentions upgrades. I find that the Landlord's letter dated October 31, 2016, seeking a voluntary increase was sent prior to the Landlord submitting the Application. The Landlord chose to apply for the reasons contained in box A, rather than other reasons such as significant repairs or renovations. I do not find the Landlord's letter to be deceptive.

I do not find the Landlord's spreadsheet document containing Tenant information to be unreliable. After comparing the information in the spreadsheet to the tenancy agreements and the notices of rent increase provided for the units within this application, I find that the information is accurate. The tenancy start date for unit # 268 was inconsistent; however, the date of last rent increase is accurate. I find the inconsistency of the tenancy start date is likely a clerical error. I find the spreadsheet information for the units to be reliable information.

At the end of the hearing the Tenant in #326 asked for an order that the Landlord provide evidence of the state of repair of all the rental units in the property. The Tenant's request was denied. The Landlord did not apply based on the completion of significant repairs or renovations. The Landlord has the burden and is responsible to prove the rent is significantly lower than current rent payable for similar units in the same geographic area. A decision will be made based on the testimony and evidence submitted by the parties in accordance with the rules of procedure.

Issue to be Decided

After a rent increase permitted by the *Residential Tenancy Act Regulations*, is the rent for the dispute rental units significantly lower than rent payable for other units similar to and in the same geographic area as the rental units?

Background and Evidence

The Guideline sets out the factors that must be considered, which I have identified earlier in this decision under section 23(3) of the Regulation. The Guideline states that the arbitrator will determine which factors are relevant to the application before him or her.

The Landlord applied for an increase on the basis that the rental unit or site is significantly lower than the rent payable for other rental units or sites similar to and in the same geographical area, as the rental unit or site. I find that the following factors are relevant to the application before me:

Rent payable for similar rental units in the residential property

The Landlord submitted that the monthly rent for the rental units is significantly lower than comparable rental units. The Landlord submitted that rents in 2016, have increased and are much higher than the units listed in her application.

The Landlord testified that she notified all the Tenants about the application for an additional rent increase and offered monthly rent of \$720.00 if the Tenants voluntarily agreed to the increase. She testified that seven Tenants agreed to the increase.

The Landlord provided a spreadsheet document that provides detailed information on similar and comparable rental units within the same rental property.

The Landlord also provided three photographs of the interior of each of the units listed in her application. The Landlord submitted that the photographs show that the units have been partially renovated. She submitted that the units were upgraded with the following upgrades:

- new windows
- tv cabling
- fire safety updates
- new appliances
- new or relatively new bathroom tiles
- new plumbing fixtures
- new blinds
- bathroom countertops

The Landlord submitted that units #311, #321 and #327 are comparable to the six rental units within the Landlord's application. The Landlord provided three photographs of the interior of each of the comparable units within the same rental property.

Unit #311

This rental unit is a 440 square foot bachelor unit. The Tenancy started in April 2012, and the rent is currently \$776.56 per month. The rent increased by \$21.10 in 2016, and by \$27.71 in 2017.

Unit #321

This rental unit is a 440 square foot bachelor unit. The Tenancy started in June 2009, and the rent is currently \$775.76 per month. The rent increased by \$21.08 in 2016, and by \$27.68 in 2017.

Unit #327

This rental unit is a 440 square foot bachelor unit. The Tenancy started in April 2008, and the rent is currently \$808.24 per month. The rent increased by \$21.98 in 2016, and by \$28.86 in 2017.

Rental units that are similar to, and in the same geographic area as, the rental units

The Landlord testified that the fair market rent she is proposing is based on the characteristics of the rental property which includes:

- concrete building
- elevator in building
- laundry provided with new machines
- underground parking

- lobby
- new carpets on all floors
- upgraded fire systems, smoke detectors, heat detectors
- upgraded plumbing

The Landlord submitted that all the rental units included in the application have been partially updated.

The Landlord testified that it was hard to provide comparable units. The Landlord provided information on five rental units that the Landlord submits are similar to, and in the same geographic area as the rental units within the Landlord's application. The Landlord testified that the comparable units show that her proposed rent increase is the same amount or lower than comparable units. She submitted that she could get a minimum \$800.00 per month for the rental units.

Comparable Unit 1

The Landlord provided a print out of an advertisement for a 520 square foot bachelor apartment located approximately 2 kilometers from the rental property. The unit is listed for \$875.00 per month. The advertisement indicates the rental unit offers:

- new wood floors and new paint
- coin laundry in basement
- secure parking spot available
- storage locker included
- close to bus stops restaurants and shopping
- separate bedroom area

Comparable Unit 2

The Landlord provided a print out of an advertisement for a 550 square foot studio apartment located approximately 2.5 kilometers from the rental property. The unit is listed for \$1,300.00 per month. The advertisement indicates the rental unit is located on located in the center of the city on a quiet street in a fully renovated building. The suite has been modernized with upgrades including:

- refurbished hard wood floors
- tile in the kitchen and bathroom
- lots of natural sunlight
- large walk in closet
- No laundry in building
- Heat and hot water included in the rent

Comparable Unit 3

The Landlord provided a print out of an advertisement for a 500 square foot bachelor apartment located approximately 3 kilometers from the rental property. The unit is listed for \$1,050.00 per month. The advertisement indicates the rental unit is fully renovated and features:

- bright and spacious layout
- professionally cleaned carpet floor
- laminate countertops
- new blinds
- updated kitchen and bathroom
- elevator
- balcony
- 24 hour laundry
- Heat and hot water included
- Close to shops and restaurants
- Close to transit
- Easy access to UBC

Comparable Unit 4

The Landlord provided a print out of an advertisement for a 400 square foot bachelor apartment located approximately 3.5 kilometers from the rental property. The unit is listed for \$1,100.00 per month. The advertisement indicates the rental unit is fully renovated and features:

- ground floor suite
- · quiet building an neighborhood
- heat and hot water included
- short walk to restaurants and parks

Comparable Unit 5

The Landlord provided a print out of an advertisement to rent a bedroom in a house for a four-month lease at a monthly cost between \$650 -\$850. The Landlord did not refer to the advertisement during the hearing. The room rental has shared use of 2 kitchens, 2 bathrooms and 2 living rooms.

Rent history for the affected rental units

The Landlord testified that the rental property was purchased in July 2013. She submitted that the previous Landlord rented the units at a low monthly rent. The Landlord submitted that the

rental units are significantly lower than comparable properties. The Landlord testified that the tenancies began at different times, during different rental markets.

Unit # 251

The Landlord provided a copy of the tenancy agreement that indicates the tenancy began in March 1999. At the start of the tenancy, monthly rent in the amount of \$475.00 was due in advance of the first day of each month. The Landlord provided copies of the Notices of Rent Increase issued to the Tenant for the past three years.

The Landlord submitted that the Tenant lives in a 440 square foot bachelor unit and currently pays rent in the amount of \$638.27 per month.

After calculating the allowable rent increase of 3.7% for 2017, the Tenant's rent would be \$661.88. The Landlord is seeking approval to increase the monthly rent to be \$740.00, an increase of \$78.12 more than the rent increase permitted by the Regulation

Unit # 267

The Landlord provided a copy of the tenancy agreement that indicates the tenancy began in October 2012. At the start of the tenancy, monthly rent in the amount of \$600.00 was due on or before the first calendar day of each month. The Landlord provided copies of the Notices of Rent Increase issued to the Tenant for the past three years.

The Landlord submitted that the Tenant lives in a 449 square foot bachelor unit and currently pays rent in the amount of \$643.13 per month.

After calculating the allowable rent increase of 3.7% for 2017, the Tenant's rent would be \$666.92. The Landlord is seeking approval to increase the monthly rent to be \$740.00, an increase of \$73.08 more than the rent increase permitted by the Regulation.

Unit #268

The Landlord provided a copy of the tenancy agreement that indicates the tenancy began in February 2013. At the start of the tenancy, monthly rent in the amount of \$500.00 was due on or before the first calendar day of each month. The Landlord provided copies of the Notices of Rent Increase issued to the Tenant for the past two years.

The Landlord submitted that the Tenant lives in a 440 square foot bachelor unit and currently pays rent in the amount of \$526.85 per month.

After calculating the allowable rent increase of 3.7% for 2017, the Tenant's rent would be \$546.34. The Landlord is seeking approval to increase the monthly rent to be \$740.00, an increase of \$193.66 more than the rent increase permitted by the Regulation.

Unit #273

The Landlord provided a copy of the tenancy agreement that indicates the tenancy began in September 2012. At the start of the tenancy, monthly rent in the amount of \$500.00 was due on or before the first calendar day of each month. The Landlord provided copies of the Notices of Rent Increase issued to the Tenant for the past three years.

The Landlord submitted that the Tenant lives in a 440 square foot bachelor unit and currently pays rent in the amount of \$538.17 per month.

After calculating the allowable rent increase of 3.7% for 2017, the Tenant's rent would be \$558.08. The Landlord is seeking approval to increase the monthly rent to be \$740.00, an increase of \$181.92 more than the rent increase permitted by the Regulation.

Unit # 326

The Landlord provided a copy of the tenancy agreement that indicates the tenancy began in July 2013. At the start of the tenancy, monthly rent in the amount of \$500.00 was due on or before the first calendar day of each month. The Landlord provided copies of the Notices of Rent Increase issued to the Tenant effective January 2015, and January 2016.

The Landlord submitted that the Tenant lives in a 445 square foot bachelor unit and currently pays rent in the amount of \$526.85 per month.

After calculating the allowable rent increase of 3.7% for 2017, the Tenant's rent would be \$546.34. The Landlord is seeking approval to increase the monthly rent to be \$740.00, an increase of \$193.66 more than the rent increase permitted by the Regulation.

Unit # 334

The Landlord provided a copy of the tenancy agreement that indicates the tenancy began in July 2012. At the start of the tenancy, monthly rent in the amount of \$550.00 was due on or before the first calendar day of each month. The Landlord provided copies of the Notices of Rent Increase issued to the Tenant for the past three years.

The Landlord submitted that the Tenant lives in a 440 square foot bachelor unit and currently pays rent in the amount of \$592.70 per month.

After calculating the allowable rent increase of 3.7% for 2017, the Tenant's rent would be \$614.62. The Landlord is seeking approval to increase the monthly rent to be \$740.00, an increase of \$125.38 more than the rent increase permitted by the Regulation.

Relevant Submissions from Affected Tenants

The Tenant in unit #267 submitted that the rents in the building are all over the map. She submitted that the units should be assessed an equal percentage and any increases should be an equal amount. The Tenant takes exception that some units are included in the Landlords application and others are not. She submitted that the units are in different states of being updated.

The Tenant made submissions pertaining to rental units that were not included in the application and were not identified by the Landlord as being comparable. The Tenant referred to the Landlords spreadsheet document that provides detailed information on similar rental units within the rental property. The Tenant submitted that 14 units were rented in 2015, in the \$700.00 - \$850.00 range. She submitted that 13 units were rented in 2016, in the \$780.00 - \$1000.00 range.

The Tenant pointed out that she would be paying more rent than the Tenant in unit #106, #330, #324. She also points out that the rental units # 284 and #286 are identical but the rent differs by \$150.00 per month.

The Tenant submitted that some tiles on her bathroom floor are cracked and her carpet has a ripple in it. She submitted that her unit is not updated. The Tenant acknowledged that the Landlord's photographs are of her unit and that the photographs are accurate. The Tenant submitted that she did not consent to the photographs being taken.

The Tenant submitted that the rental units have concrete floors, but the walls are not concrete.

The Tenant submitted that the advertisement provided by the Landlord and identified in this decision as "unit 3" is not a comparable unit because it is located in a much better neighbourhood. She submitted that the neighbourhood of "unit 3" has trees and birds and less traffic.

The Tenant in unit #273 testified that the rents in the building are not equal or fair. He testified that the rental property is not comparable to the advertisements provided by the Landlord because the rental property is very busy area with heavy traffic and noise 24 hours per day.

The Tenant stated that his unit has not been updated.

The Tenant in unit #326 testified that rent is not being increased in a standard way and questioned the Landlord regarding the basis of a rent increase. The Tenant asked the Landlord why all the Tenants are not getting the proposed increase.

In response to the Tenants questions, the Landlord testified that unit #106, #330, and #336 are units occupied by part-time manager /employees who receive a rent allowance of a 20% reduction in rent. The Landlord also submitted that #106 also gets a discount for being a basement suite.

The Landlord acknowledged the Tenants submission that the units were rented between \$700.00- \$850.00 in 2015, and between \$780.00 - \$1,000.00 in 2016. The Landlord responded that the number of rentals and higher rents shows the market increase.

The Landlord agrees that the rent for unit #324 is below market rent, but submitted that the condition of the unit is poor so she did not include it as a comparable.

The Landlord responded that the \$150.00 per month difference in rent between unit # 284 and unit #286 is due to the condition of the units. She submitted that unit #286 is fully updated and unit # 284 is not.

The Landlord responded to the question regarding the basis for the rent increase by stating that the amount of rent is established by the market and the condition of each unit.

The Landlord submitted that she has not received any reports from the Tenant in #267 regarding any issues in the unit or with the carpet.

The Landlord submitted that her photographs show that unit #273 has new tiles, new appliances and a new toilet.

The Landlord submitted that the Tenants did not provide any documentary evidence to show that their units are in worse condition than other units.

Analysis

The Guideline provides the following information with respect to significantly lower rent:

The landlord has the burden and is responsible for proving that the rent for the rental unit is significantly lower than the current rent payable for similar units in the same geographic area. An additional rent increase under this provision can apply to a single unit, or many units in a building. If a landlord wishes to compare all the units in a building to rental units in other buildings in the geographic area, he or she will need to provide evidence not only of rents in the other buildings, but also evidence showing that

the state of the rental units and amenities provided for in the tenancy agreements are comparable.

The rent for the rental unit may be considered "significantly lower" when (i) the rent for the rental unit is considerably below the current rent payable for similar units in the same geographic area, or (ii) the difference between the rent for the rental unit and the current rent payable for similar units in the same geographic area is large when compared to the rent for the rental unit. In the former, \$50 may not be considered a significantly lower rent for a unit renting at \$600 and a comparative unit renting at \$650. In the latter, \$50 may be considered a significantly lower rent for a unit renting at \$200 and a comparative unit renting at \$250.

"Similar units" means rental units of comparable size, age (of unit and building), construction, interior and exterior ambiance (including view), and sense of community.

The "same geographic area" means the area located within a reasonable kilometer radius of the subject rental unit with similar physical and intrinsic characteristics. The radius size and extent in any direction will be dependent on particular attributes of the subject unit, such as proximity to a prominent landscape feature (e.g., park, shopping mall, water body) or other representative point within an area.

Additional rent increases under this section will be granted only in exceptional circumstances. It is not sufficient for a landlord to claim a rental unit(s) has a significantly lower rent that results from the landlord's recent success at renting out similar units in the residential property at a higher rate. However, if a landlord has kept the rent low in an individual one-bedroom apartment for a long term renter (i.e., over several years), an Additional Rent Increase could be used to bring the rent into line with other, similar one-bedroom apartments in the building. To determine whether the circumstances are exceptional, the arbitrator will consider relevant circumstances of the tenancy, including the duration of the tenancy, the frequency and amount of rent increases given during the tenancy, and the length of time over which the significantly lower rent or rents was paid.

I have considered whether the rental units submitted by the Landlord as comparable units are similar.

I do not find the advertisement provided by the Landlord for a room rental in a house with shared common areas is comparable to the self-contained units within the application. I dismiss the Landlord's comparable unit #4 on this basis.

I find that first three advertisements provided as comparable units provide more square footage than the rental units. I find the increase in square footage is significant considering that four of

the rental units are 440 square feet, with the other two units at 445 and 449 square feet. The square footage of the comparable units is an increase of living area between 13.5% and 25%.

I find that the monthly rent for all the units in the advertisements is higher than the proposed rent by the Landlord. For comparison, the rent for advertisement #1 amounts to \$1.68 per square foot, which is approximately the same amount that the Landlord is proposing if the application to increase the rent to \$740.00 per month is approved. The cost per square foot for the other units is significantly higher ranging between \$2.10 to \$2.75 per square foot.

The advertised comparable units do not indicate the type of building construction or the age of the rental property. The Landlord did not make any oral submissions regarding the age of the buildings or type of building construction.

The Landlord did not provide a response to the Tenants submission that the rental units are in a very busy area with heavy traffic and noise 24 hours per day and are not comparable to the neighbourhood of the advertised units.

The advertised units are located approximately 2 kilometers to 3.5 kilometers from the rental units.

The Landlord has the burden and is responsible for proving that the rent for the rental unit is significantly lower than the current rent payable for similar units in the same geographic area. There is insufficient evidence from the Landlord regarding the age; construction; and the exterior ambience of the advertised units. I am unable to determine whether the advertised units are similar to the rental units. I therefore exclude the remaining four advertised units provided by the Landlord.

I have considered whether the three rental units within the rental property are comparable to the six rental units within the Landlord's application.

The three comparable rental units are 440 square feet and are identical or almost identical in size to the units within the Landlord's application. I find that the Landlord is receiving a higher amount of rent for the comparable units than the Landlord is seeking in the application.

I have considered whether the Landlord's claim that the rental units in the application have significantly lower rent is a result of the Landlord's recent success at renting out units at a higher rate.

I find that the tenancies for the three comparable units started in 2008; 2009; and 2012. The Landlord increased the rent for all three units for the past two years and is receiving between \$775.00 - \$808.00 per month rent for the units. I do not find the tenancies to be recent as they all began approximately five years ago or longer. I do not find the amount of rent on these units is due to recent success at renting them out.

I find that the Landlord's submission that the monthly rent for the rental units is significantly lower than the comparable rental units is supported by the submissions of both parties. They submitted that 14 units were rented in 2015, in the \$700.00 - \$850.00 range. Further to this, a review of the Landlord's evidence shows that 13 bachelor units with similar square footage rented in 2014, currently have higher rents than the amount proposed in the Landlord's application.

I have compared the photographs of the comparable units with the rental units in the application. I find that the photographs of the interior of the three comparable rental units are similar to the photographs of the interior of the rental units contained within the Landlord's application. I do not observe any marked difference in the state or quality of the units.

After considering the information and my findings above, I find that the three units provided by the Landlord are suitably comparable to the units within the Landlord's application.

<u>Unit # 251</u>

The Landlord want to increase the rent from \$638.27 to \$740.00 per month. The Landlord has issued rent increases over the past couple years. The Landlord is seeking a rent increase of \$78.12, or approximately 11% more than the amount permitted by the Regulation.

I have considered whether the rent for the rental unit is considerably below the current rent payable for similar units. I find that \$78.12 is a significantly lower amount of rent for a unit renting at \$638.27 and a comparative unit renting at \$775.00.

Unit #267

The Landlord want to increase the rent from \$643.13 to \$740.00 per month. The Landlord has issued rent increases over the past couple years. The Landlord is seeking a rent increase of \$73.08, or approximately 11% more than the amount permitted by the Regulation.

I have considered whether the rent for the rental unit is considerably below the current rent payable for similar units. I find that \$73.08 is a significantly lower amount of rent for a unit renting at \$643.13 and a comparative unit renting at \$775.00.

Unit # 268

The Landlord want to increase the rent from \$526.85 to \$740.00 per month. The Landlord has issued rent increases over the past couple years. The Landlord is seeking a rent increase of \$193.66, or approximately 35% more than the amount permitted by the Regulation.

I have considered whether the rent for the rental unit is considerably below the current rent payable for similar units. I find that \$193.66 is a significantly lower amount of rent for a unit renting at \$638.27 and a comparative unit renting at \$775.00.

Unit #273

The Landlord want to increase the rent from \$538.17 to \$740.00 per month. The Landlord has issued rent increases over the past couple years. The Landlord is seeking a rent increase of \$181.92 or approximately 32% more than the amount permitted by the Regulation.

I have considered whether the rent for the rental unit is considerably below the current rent payable for similar units. I find that \$181.92 is a significantly lower amount of rent for a unit renting at \$538.17 and a comparative unit renting at \$775.00.

Unit #326

The Landlord want to increase the rent from \$526.85 to \$740.00 per month. The Landlord has issued rent increases over the past couple years. The Landlord is seeking a rent increase of \$193.66, or approximately 35% more than the amount permitted by the Regulation.

I have considered whether the rent for the rental unit is considerably below the current rent payable for similar units. I find that \$193.66 is a significantly lower amount of rent for a unit renting at \$526.85 and a comparative unit renting at \$775.00.

Unit # 334

The Landlord want to increase the rent from \$592.70 to \$740.00 per month. The Landlord has issued rent increases over the past couple years. The Landlord is seeking a rent increase of \$125.38, or approximately 20% more than the amount permitted by the Regulation.

I have considered whether the rent for the rental unit is considerably below the current rent payable for similar units. I find that \$125.38 is a significantly lower amount of rent for a unit renting at \$592.70 and a comparative unit renting at \$775.00.

After considering the evidence and testimony of the parties, and on a balance of probabilities, I find that after the rent increase permitted by the Regulation, the rent for the rental units or site is significantly lower than the rent payable for other rental units or sites similar to and in the same geographical area, as the rental unit or site.

I grant the Landlord's application to increase the rent for all the rental units contained within the application. In consideration of the financial impact that a large rent increase will present to the Tenants, I order the additional rent increase to be phased in over a two year period of time as follows:

Unit #251

I order that the Landlord may increase the monthly rent by \$50.86 to \$689.13 in 2017. No sooner than twelve months after this first increase, the Landlord may increase the rent by \$50.87 to \$740.00.

Unit #267

I order that the Landlord may increase the monthly rent by \$48.43 to \$691.56 in 2017. No sooner than twelve months after this first increase, the Landlord may increase the rent by \$48.44 to \$740.00.

Unit #268

I order that the Landlord may increase the monthly rent by \$106.57 to \$633.42 in 2017. No sooner than twelve months after this first increase, the Landlord may increase the rent by \$106.58 to \$740.00.

Unit #273

I order that the Landlord may increase the monthly rent by \$100.91 to \$639.08 in 2017. No sooner than twelve months after this first increase, the Landlord may increase the rent by \$100.92 to \$740.00.

Unit #326

I order that the Landlord may increase the monthly rent by \$106.57 to \$633.42 in 2017. No sooner than twelve months after this first increase, the Landlord may increase the rent by \$106.58 to \$740.00.

Unit #334

I order that the Landlord may increase the monthly rent by \$73.65 to \$666.35 in 2017. No sooner than twelve months after this first increase, the Landlord may increase the rent by \$73.65 to \$740.00.

For each phase of the increase allowed, the Landlord must provide the Tenants with a Notice of Rent Increase in the approved form, provide the required three month notice period, and must serve the Tenant with a copy of this entire Decision along with each Notice of Rent Increase.

Conclusion

I grant the Landlord's application to increase the rent for all the rental units contained within the application. In consideration of the financial impact that a large rent increase will present to the Tenants, I order the additional rent increase to be phased in over a two year period of time as set out in this Decision.

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: April 19, 2017

Residential Tenancy Branch