



Dispute Resolution Services

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Residential Tenancy Branch
Ministry of Housing and Municipal Affairs

DECISION

Dispute Code PFR

Introduction

The hearing dealt with the Landlord's Application for Dispute Resolution (the Application) under the *Residential Tenancy Act* (the Act) for:

- An order ending a tenancy and an Order of Possession for renovations or repairs to a rental unit under section 49.2 of the Act.

Parties for both sides attended the hearing. Both sides were also represented by legal counsel.

The parties confirmed receipt of the Notice of Dispute Resolution Proceeding Package and the other's evidence. No issues with service were raised. Given this, I find that these records were served as required under sections 88 and 89 of the Act.

Issue to be Decided

- Is the Landlord entitled to an order ending the tenancy and an Order of Possession for renovations or repairs?

Background and Evidence

The parties were given an opportunity to present evidence and make submissions. I have reviewed all written and oral evidence provided to me by the parties, however, only the evidence relevant to the issues in dispute will be referenced in this Decision.

The parties agreed on the following:

- The rental unit is one of six units in the residential property, which is a large, historic building that was once a single-family home.
- The residential property has one unit in the basement, one unit on the main floor, and four units in the upper portion which includes the rental unit.
- The Tenants entered into a written tenancy agreement with the previous owner of the residential property that commenced on June 26, 2017, and is now on a month-to-month basis.
- The Landlord completed the purchase of the residential property on November 27, 2025.
- The other units in the residential property besides the rental unit are currently vacant, save for one which is occupied by a caretaker.
- The Tenants still occupy the rental unit and pay monthly rent of \$2,034.00.

The Landlord's position

The Landlord is a non-profit independent school and intends on using the residential property as a boarding house for students from September 2026. To accommodate these plans, the kitchens in all units in the residential property, except for the caretaker's suite, will be removed and a communal, commercial-grade kitchen will be installed.

Once the renovations are complete, the number of units in the residential property will remain the same and each unit will retain a private bathroom, though none of the units will have a kitchen. Installation of the ventilation system required to accommodate the new communal kitchen will mean air ducts shall run through the bedroom and laundry area of the rental unit.

The renovations are necessary to sustain the use of the residential property in the form of a boarding house, which is the ultimate goal for the Landlord. It will not be possible for the Tenants to re-occupy the residential property after the renovations are completed. None of the units will have a kitchen and the property will be used as a boarding house.

It was argued that even if it were accepted that the use of the residential property after the renovations are complete is non-residential in nature, this would not affect the merits of the Application since the end of the tenancy and Tenant's eviction is purely to allow renovations to happen. Further, there is no mention of any requirement for the current use of either rental unit or the residential property to be prolonged or sustained and it is

implied that the renovations must just be necessary to prolong or sustain the overall future use of the rental unit or building, and that boarding for students would be a permitted use of the property.

It was acknowledged that the residential property was in overall good condition, though it was unknown when the kitchen was last updated, but it was not in an unusable or decrepit state. It is anticipated that the renovations will take “a number of months” and it was submitted that all required permits are in place.

The Tenants' position

It was argued that the Landlord had failed to establish the renovations are necessary to prolong or sustain the use of the rental unit or the building in which the rental unit is located, so all four parts of the test set out in section 49.2 of the Act were not met. Further, the Landlord was attempting to re-word this requirement to match the long-term purpose for the residential property, rather than the requirements of the Act.

The Landlord, after completion of the renovations, would be putting the rental unit and the residential property to a brand-new use, rather than prolonging or sustaining the existing use. As the property is in good overall condition, no such renovations are required to prolong or sustain its use.

The Tenants questioned whether all permits required to complete the renovations were in place, particularly in relation to the installation of the new ventilation system.

Analysis

Rule 6.6 of the *Rules of Procedure* states that the standard of proof in a dispute resolution hearing is on a balance of probabilities, which means that it is more likely than not that the facts occurred as claimed. The onus to prove their claim is on the applicant who in this case, is the Landlord.

Section 49.2 of the Act allows a landlord to seek an end to tenancy and an Order of Possession if all of the following apply:

- 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;

- The renovations or repairs require the rental unit to be vacant;
- 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; and
- The only reasonable way to achieve the necessary vacancy is to end the tenancy agreement.

If a landlord is able to prove on a balance of probabilities that all four of the circumstances outlined above apply, an arbitrator must issue an order ending the tenancy, effective not earlier than four months after the order is made, as set out in section 49.2(4) of the Act.

The parties took conflicting positions as to whether the renovations proposed by the Landlord were necessary to prolong or sustain the use of the rental unit or the building in which the rental unit is located. As set out in Policy Guideline 2B, examples of necessary renovations in this regard include:

- Undertaking seismic upgrades;
- Updating electric wiring to code; and
- Installing or replacing a sprinkler system to ensure the building meets codes related to fire safety.

The Act and Policy Guideline 2B do not explicitly state that the use of the rental unit or building that is to be sustained or prolonged must be the current use, however, I find the Tenants' position in this matter is more compelling than that of the Landlord's and that the intentions of section 49.2 of the Act are for the existing use i.e. for tenancies to which the Act applies, to be prolonged or sustained.

Policy Guideline 2B states, of 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: "renovations and repairs are important to the life cycle of a building. As buildings age this work is necessary to ensure the rental unit and the building in which it is located remain safe for the tenants". From this, I find it is implied that preserving the existing use and continuation of occupancy by tenants is the ultimate purpose of section 49.2 of the Act.

On plain reading, I find the words "prolong" and "sustain" imply continuation of an existing occurrence or use, not a new one. I also find that when applying a modern approach to statutory interpretation, viewing the Act as a whole, assessing section 49.2 in a wider context, and considering its purpose, this leads to the same conclusion.

Looking elsewhere in the Act to place section 49.2 in further context confirms that if a tenancy is ended for renovations or repairs, if the residential property has five or more rental units, a tenant is entitled to enter into a new tenancy agreement respecting the rental unit upon completion of the renovations or repairs, provided they give notice to the landlord that they intend to do so.

The wording here is clear and unambiguous and demonstrates that the tenant has this option upon completion of the renovations or repairs, and is not conditional, for example there is no wording to the effect of “if applicable” or “if the residential property is still used for residential purposes”. From this, I find that the intention of section 49.2 of the Act is to allow landlords to end tenancies, assuming the four-part test is met, but that the “use” mentioned in section 49.2(1)(c) of the Act means the current one, which is of course by definition, for a residential tenancy to which the Act applies.

There is clearly great importance placed by the Act on a tenant’s right to resume a tenancy once repairs are completed in a residential property with five or more rental units, as section 51.3 of the Act establishes that if a landlord breaches the Act in this regard, compensation equal to twelve months rent is payable to the tenant.

Additionally, the Act sets out an exhaustive list of the ways tenancies end in section 44 of the Act. The ways are separate and distinct. Given there are alternative provisions under section 49(6) of the Act for ending a tenancy for converting a rental unit to a different use, allowing this purpose to be achieved through another section of the Act would render section 49(6) of the Act all but redundant.

The Landlord’s submissions clearly indicate that after the planned renovations, there is no option for the Tenants to return to the rental unit, and that the rental unit and the residential property as a whole will not be used for residential tenancies. This is clearly incompatible with intentions of sections 49.2 and 51.2 of the Act.

There was no suggestion from the Landlord’s side that the residential property was in poor condition, or that its present state required intervention to prolong its lifecycle. Though no documentary or pictorial evidence that spoke to the condition of the residential property was provided, the assertion from the Landlord’s side was that the property was in good condition. It was clear that the planned renovations are fully intertwined with the long-term changes to the use of the residential property, rather than

any deterioration in its condition, and based on the above, I find the renovations are at odds with the provisions of section 49.2(1)(c) of the Act.

Based on the above, I find the Landlord has failed to establish that it is entitled to an order for an end to the tenancy and an Order of Possession under section 49.2 of the Act. I dismiss the Application without leave to reapply. The tenancy continues until ended in accordance with the Act.

Conclusion

The Landlord's Application is dismissed without leave to reapply.

This Decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under section 9.1(1) of the Act.

Dated: January 20, 2026

Residential Tenancy Branch