

Residential Tenancies Tribunal

Application 2025-0377-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 9:07 a.m. on 29-May-2025.
2. The applicant, [REDACTED] (tenant 1), hereinafter referred to as “the tenant” attended by teleconference. The applicant, [REDACTED] (tenant 2), hereinafter referred to as “the tenant” did not attend.
3. The respondent, [REDACTED], hereinafter referred to as “the landlord” attended by teleconference.

Preliminary Matters

4. The tenants submitted an affidavit with their application stating that they had served the landlord with the notice of hearing electronically by email to [REDACTED] on 5-May-2025 (TT#1). The landlord confirmed receipt of the document on that date. In accordance with the *Residential Tenancies Act, 2018*, this is good service.
5. There was a verbal month-to-month rental agreement that commenced on 1-December-2019. Rent is \$1000.00 per month, due on the first day of each month. A security deposit of \$500.00 was paid on 1-December-2019 and is in the landlord’s possession.

Issues before the Tribunal

6. The tenant is seeking:
 - Validity of rental increase

Legislation and Policy

7. The jurisdiction of the Director of Residential Tenancies is outlined in sections 46 and 47 of the *Residential Tenancies Act, 2018*. Also, relevant and considered in this decision is the following section of the *Residential Tenancies Act, 2018*: Section 16; Rental Increase.

Item # 1: Validity of rental increase

Tenant’s Position

8. Tenant 1 testified that they received a text message from the landlord dated 9-August-2024 stating that the rent would increase by \$100.00 effective 1-January-2025. Tenant 1 testified that they responded to that message advising the landlord that she is required to give them a 6-month notice before raising the rent and asked to have the written notice placed in their mailbox. Tenant 1 also testified that the landlord responded to his message immediately stating that she will drop of the written notice tomorrow and she also added in her message that the rent increase will **now** change to \$200.00 per month. Tenant 1 stated that the extra \$100.00 increase was given out of retaliation because they failed to agree to the illegal rent increase, and he stated that they are questioning the validity of the new rent increase notice. The tenants submitted a copy of the text messages to support the claim (TT#2).

Landlord's Position

9. The landlord did not dispute that she gave a rental increase without the proper 6-month notice, however she stated that once it was identified that it was an illegal increase, she reassessed the situation and gave a proper notice in writing a few days later to take effect on 1-May-2025. The landlord stated that the new rent increase notice was not given out of retaliation but rather out of necessity due to increased landlord costs.

Analysis

10. Subsection 16(1) and (3) of the *Residential Tenancies Act, 2018* states:

Rent increase

16(1) Notwithstanding another Act, agreement, declaration, waiver or statement to the contrary, a landlord shall not increase the amount of rent payable by a tenant,

(c) where a tenant continues to use or occupy the residential premises after a fixed term has expired, more than once in a 12 month period.

16(3). Where a landlord increases the amount of rent payable by a tenant, the increase shall be effective on the first day of a rental period, and the landlord shall give the tenant written notice of the increase

(b) not less than 6 months before the effective date of the increase where the residential premises is rented from month to month or for a fixed term.

11. Section 29 of the *Residential Tenancies Act, 2018* deals with retaliation, however it pertains to termination notices only and does not make any reference to retaliation when dealing with rent increases.
12. In accordance with Section 16 of the *Act* as stated above, I accept that the landlord gave an illegal rent increase notice on 9-August, and I agree that the tenants had a right to refuse to accept that rent increase notice as it did not provide them with the proper 6-month notice period. I also agree with the tenants that the immediate response from the landlord saying that the rent will now change to \$200.00 per month was a retaliatory move on the part of the landlord and while it was unconscionable, there is nothing in the *Act* that prohibits a landlord from doing so.
13. I find that the landlord had the right to increase the rent so long as it was done in

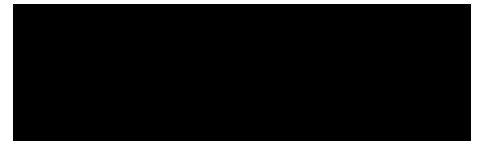
accordance with the requirements as set out in the *Act*. I find that the tenants were not questioning the notice, however they was just questioning the \$100.00 per month increase. I find that the new written notice to increase rent by \$200.00 per month given on or about 12-August-2024 is a good notice and shall come into effect on 1-May-2025.

Decision

14. The rent increase notice of \$200.00 per month effective 1-May-2025 is a valid notice.

June 9, 2025

Date



Pamela Pennell, Adjudicator
Residential Tenancies Office