

Application for Rent Increase Above the Guideline – Capital Expenses

The Residential Rent Regulation lists the capital expenses a landlord may include on an application for a rent increase above the guideline. A landlord's capital expenses are those expenses incurred

- to acquire or replace appliances, furnishings or services and facilities; or
- for capital improvements or major repairs that have a lasting and long-term benefit to a residential complex.

Effective March 1, 2013, the regulation will be amended to indicate that the portion of the expenses mentioned above that relates to enhancing the level of prestige of a residential complex or rental unit will not be included. For example: A landlord who installs a new fence around a property and adds a costly decorative feature to the top of the fence "for show" will not be able to pass through the cost of the feature if the design of the new fence is out of character with the rest of the building and the added feature serves no function.

To view the complete Residential Rent Regulation, [click here](#).