

Introduction to Trebling



[Trebling](#) is a continuous auction for [location value](#). It is called trebling because the minimum bid increment of 200% is equivalent to 3x current [ground rent](#). There is no maximum bid increment. One can bid 4x, 10x, or 100x the current rent.

Trebling creates no financial obligation. The treble is a one-time payment. This is a [one-year advance rent](#) payment computed at the first month's trebled rent. Rent is voluntary.

For instance, suppose the current [property owner](#) is paying \$100/month in rent. The trebled rent would be \$300/month, and the one-year advance rent payment would be $\$300 \times 12 = \$3,600$.

The current property owner owns all structures on the land, and the [trebler](#) (the person who trebles) must pay the current owner [a 33.33% premium](#) on the [depreciated replacement cost](#) of all structures and other improvements.

If the rent is \$300/month, how can all financial obligations end with the \$3,600? The answer is found in self-assessment, a concept pioneered by a Georgist and "[Father of Modern China](#)," [Sun Yat-sen](#).

18 Months of Falling Rent		
Month	Rent Owed	Advance Rent Account
1	\$300	\$3,600
2	\$275	\$3,300
3	\$252	\$3,025
4	\$231	\$2,773
5	\$212	\$2,542
6	\$194	\$2,330
7	\$178	\$2,136
8	\$163	\$1,958
9	\$150	\$1,795
10	\$137	\$1,645
11	\$126	\$1,508
12	\$115	\$1,382
13	\$106	\$1,267
14	\$97	\$1,162
15	\$89	\$1,065
16	\$81	\$976
17	\$75	\$895
18	\$68	\$820

Here is how it works. [The rent on a property drops by 8.33% per month](#). That is because the monthly rent paid also equals 8.33% (1/12) of the advance rent account. The advance rent account never runs out of money.

The rent falls at a rate such that in about 13 months, the trebled rent returns to the pre-trebled amount. Notice that in month 14, the rent is \$97/month, less than before the treble.

Rent can fall forever. There is never an obligation to pay rent. While rent on a particular property can drop to less than a penny per month, there is a minimum initial obligation for the trebler of \$1/property/year or \$1/acre/year, whichever is greater.

Allowing the rent to fall without ever paying a dime is convenient, but it could be dangerous if one wishes to keep their home or business. Before examining the

pros and cons of allowing the rent to fall freely, consider how to raise or freeze the rent.

To lower the rent, pay no rent, which falls by 8.33% per month. To freeze the rent at a certain level, pay it monthly, sometime after it has been collected. To raise the rent, increase the advance rent fund.

Who would let their rent fall freely? People who want to move. Business owners who wish to retire and collect a 33% structure premium for selling their business and inventory. House flippers. It is the most efficient action for those who want to keep their house or business, provided one has the liquidity to match the trebler.

Matching a treble is a right of the current property owner. Whatever the amount of the treble, the current owner can match it by increasing the funds in the advance rent account to equal the trebled rent. Should a treble be matched, the trebler must treble again or look elsewhere.

In addition to the 33% premium on the structure, residents whose primary residence is trebled might qualify for a treble insurance payout. If renting an apartment within a trebled building, the tenants are entitled to treble insurance, not the absentee landlord. Under a typical lease, tenants will receive 50% of the [33% structure premium](#).

The treble is the primary operation of an AFFEERCE economy. Infrastructure can be trebled. See modules [Trebling the Grid](#) and [Roads and Bridges](#). [Condominium units](#) can be trebled individually.

But trebling need not involve *terra firma*; see [Trebling Beyond Hard Land](#) and [Protecting the Earth](#). Trebling than violent war at solving the problems that lead to war. [Exclusive use](#) is an [objective right](#). However, a negative externality allows [2/3 the population](#) of any [dominion](#) to override this right.

One can pay to avoid the treble. Private landowners [pay this fee](#) in addition to their [land value tax](#), and commons property owners who fear trebling can also pay it.

Does trebling a particular site make economic sense? See modules [Avoiding a Hostile Takeover](#) and [Trebling a Location for New Construction](#).

Trebling starts in year one of the [ABC Commons Trust](#). For more information, see the module [Parameters of Ground Rent in the Early Days](#).