

DECISION

Dispute Codes ARI

Introduction

This hearing dealt with the Landlord's Application for Dispute Resolution, seeking an additional rent increase in an amount greater than that allowed under the Act and regulations.

Both parties appeared, gave affirmed testimony and were provided the opportunity to present their evidence orally and in written and documentary form, and to cross-examine the other party, and make submissions to me.

I have reviewed all oral and written evidence before me that met the requirements of the rules of procedure. However, only the evidence relevant to the issues and findings in this matter are described in this Decision.

Agreement Made During Hearing

During the course of the hearing the Landlords and the Tenants who appeared at the hearing came to a mutual agreement to resolve the dispute, and agreed to an additional rent increase for their respective sites.

The parties requested I record their agreement in this decision and therefore, **rental sites #1 and #2 shall pay an additional sum of \$40.00 per month creating a rate of rent of \$240.00 per month, effective on June 1, 2010, as agreed by the parties.**

The Landlords and respective Tenant agreed to an increase in rent of **\$25.00 per month for rental site #4, creating a rate of rent of \$625.00 per month, effective on June 1, 2010, as agreed by the parties.**

As to the one remaining site, number 3, I will proceed with the determination of the Landlords' Application for an additional rent increase on that particular site:

Issues(s) to be Decided

After a rent increase permitted by the Regulation, is the rent for the subject rental site significantly lower than rent payable for other rental sites similar to and in the same geographic area as the subject rental sites?

Have the Landlords shown that significant repairs have been completed which were reasonable and necessary and will not recur within a time period which is reasonable for those repairs?

Background and Evidence

The Landlord is applying to receive a rent increase of 38.2% for site 3, comprised of the allowed increase of 3.2%, plus 35%, to apply against the subject rental site. If increased by 38.2% the rent for site 3 would be \$260.00.

The Landlords have put forward two reasons for the request for an additional rent increase.

First, the Landlord claims that when comparing the site in this park with comparable sites in other parks, the rent is significantly lower for the subject site. In support of this, the Landlord entered into evidence several responses from other manufactured home parks in the area. The evidence the Landlords submitted indicates that comparable sites in the area average \$275.00 to \$325.00 per month rent.

Secondly, the Landlords submitted evidence that they have spent over \$18,400.00 upgrading the power poles and water lines, have cleared trees, and paved the driveway servicing the rental park, over the past six years.

The Tenant of site #3 did not submit any evidence to dispute the Landlords' Application for Dispute Resolution, neither did he attend the hearing.

Analysis

Based on the foregoing, the evidence and testimony, and on a balance of probabilities, I find as follows:

I find the Landlords have insufficient evidence to prove the rent for the subject rental site is significantly lower than rent payable for comparable sites similar to and in the same geographic area as the park, and therefore, **I dismiss this portion of the Application.**

The Landlords have the burden of proof to show the comparable sites, within the same geographic area, have the same or similar characteristics. The Landlords have failed to provide sufficient evidence of the geographic area where the comparable sites are located in relation to the subject park. There is also insufficient evidence of the age of these comparable parks, or other characteristics such as proximity to parks, shopping areas and other facilities.

I find the Landlords have sufficient evidence to prove that the repairs to the park over the past few years were significant and **I allow this portion of the Application.**

Based on the expected benefit to the park over the next few years, the expenditure incurred, and the scope of the repairs, I find the Landlords have completed significant repairs to the park. I find that the significant repairs required could not have been foreseen under reasonable circumstances. I further find the repairs made were reasonable and necessary.

Therefore, I allow an additional rent increase of 20%, or an additional \$40.00 per month for the subject site 3. The rent for site 3 shall be \$240.00 per month, once the Landlords have served the Tenant as described below.

The additional amount allowed is comprised of the allowable increase of 3.2%, plus a portion of the requested additional increase, in the amount of 16.8%, granting the Landlords an increase of 20% or approximately \$40.00 per month for the subject site.

The Landlords must serve each of the Tenants in sites 1, 2, and 4, with a copy of this entire Decision.

The Landlords must serve the Tenant in site 3 with a copy of this Decision along with a Notice of Rent Increase in accordance with the Act, which, for example, requires three months notice in advance of the allowed increase taking place.

Conclusion

Some of the Tenants came to a mutual agreement with the Landlords to allow an increase in rent for their sites.

For site #3, I find the Landlords are allowed an increase of 20%, or \$40.00 per month, and must serve that Tenant with a copy of this Decision along with a Notice of Rent Increase in accordance with the Act.

This decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under Section 9 of the Act.

Dated: April 28, 2010.

Dispute Resolution Officer