



# Dispute Resolution Services

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Residential Tenancy Branch  
Office of Housing and Construction Standards

A matter regarding UP COUNTRY MHP LTD  
and [tenant name suppressed to protect privacy]

## **DECISION**

**Dispute Codes:** DRI, FF

### **Introduction**

This hearing dealt with applications by seven tenants under the *Manufactured Home Park Tenancy Act*. The tenant applied to dispute the amount that the landlord intended to raise the rent by. A total of four tenants attended the hearing by conference call. The tenant in unit #18 DD represented all the tenants and agreed to distribute copies of this decision to the other respondents. The landlord attended the hearing.

Both parties had opportunity to be heard. The parties acknowledged receipt of evidence submitted by the other and gave affirmed testimony.

### **Issue to be Decided**

Is the amount of the rent increase in keeping with Legislation?

### **Background and Evidence**

The manufactured home park houses 41 rental pads. All the tenants pay the same amount of rent. The ownership of the park changed hands in March 2016. During the negotiation of the sale, the previous owners, offered to cover any rent increase to the tenants during the year 2017. A copy of a letter from the previous owners explains that any rent increase for 2017 levied by the new owners will be paid to the new owners by the previous owners, on behalf of every rental pad.

The last time the tenants received a rent increase was January 2016. In October 2016, the new owners who are the current landlords sent every tenant a letter informing them of the rental calculations for 2017. A formal notice of rent increase dated October 22, 2016 was served on all the tenants. The notice notified the tenants that effective February 01, 2017 the pad rent would increase from \$235.00 to \$246.00. The landlord also sent an amendment which corrected the new rent to \$245.68.

The notice explained the calculation of the new rent. In order to honor the promise made to the tenants by the previous owner, the landlord offered a rebate in rent for the month of January 2017 which would cover the increase in rent for the entire year. The rent increase is \$10.68 per month which is effective February 2017. Accordingly the increase that the tenants will pay for the entire year of 2017 is \$117.48. The landlord has made a deduction in this amount off the rent for the first month of January 2017. (\$235.00 minus \$117.48 = \$117.52)

The end result is that the tenant will pay \$117.52 as rent for January and then the new rent of \$245.68 for the remainder of 2017 starting February 01, 2017. The total amount of rent paid for the entire year of 2017 will be exactly the same as paid in 2016.

The tenant argued that she understood from the letter that was written by the previous owner that there would be no rent increase in 2017. The tenant filed a copy of the letter which also states that the rent increase has been paid for by the previous owner. The tenant also did not agree with the calculation that the landlord used to come up with the increase amount of \$10.68 per month. The tenant's concerns were addressed and each component of the increase was discussed at length.

### **Analysis**

Sections 34, 35 and 36 of the *Manufactured Home Park Tenancy Act* address the timing, and amount of rent increases and state as follows:

#### **Rent increases**

- 34** A landlord must not increase rent except in accordance with this Part.

#### **Timing and notice of rent increases**

- 35** (1) A landlord must not impose a rent increase for at least 12 months after whichever of the following applies:

- (a) if the tenant's rent has not previously been increased, the date on which the tenant's rent was first established under the tenancy agreement;
- (b) if the tenant's rent has previously been increased, the effective date of the last rent increase made in accordance with this Act.

(2) A landlord must give a tenant notice of a rent increase at least 3 months before the effective date of the increase.

(3) A notice of a rent increase must be in the approved form.

(4) If a landlord's notice of a rent increase does not comply with subsections (1) and (2), the notice takes effect on the earliest date that does comply.

### **Amount of rent increase**

**36** (1) A landlord may impose a rent increase only up to the amount

(a) calculated in accordance with the regulations,

(b) ordered by the director on an application under subsection (3), or

(c) agreed to by the tenant in writing.

(2) A tenant may not make an application for dispute resolution to dispute a rent increase that complies with this Part.

(3) In the circumstances prescribed in the regulations, a landlord may request the director's approval of a rent increase in an amount that is greater than the amount calculated under the regulations referred to in subsection (1) (a) by making an application for dispute resolution.

(4) [Repealed 2006-35-11.]

(5) If a landlord collects a rent increase that does not comply with this Part, the tenant may deduct the increase from rent or otherwise recover the increase

**RENT INCREASE FORMULA** under the Manufactured Home Park Tenancy Regulation  
In July 2007, the Manufactured Home Park Tenancy Regulation was amended to allow a maximum rent increase according to the following formula:

Existing rent + 2% + inflation + increase in local government levies and public utility fees

A landlord may only impose a rent increase up to the amount calculated in accordance with the regulations, or as ordered by an arbitrator. The allowable percentage rent increase for each calendar year is calculated according to the inflation rate. The rent increase rate for the year 2017 works out to be 3.7%. Based on the rent increase formula as stated above, the increase may also include local government levies and public utility fees.

The notice of rent increase clearly outlines each component of the increase. The landlord has filed copies of the relevant public utility bills and the correspondence from the local government regarding government levies to support the component of the increase that comes from increases in the utilities and government levies.

I have reviewed the documents filed into evidence by the landlord and I find that the tenant was served with a rent increase in the approved form, in a timely manner and in keeping with the increase permitted by legislation. I find that the rent increase complies with legislation and pursuant to section 36(2) of the *Manufactured Home Park Tenancy Act*, the tenant may not make an application to dispute this rent increase.

I further find that as promised to the tenants by the previous owner, the total rent paid by the tenants in 2017, including the increase, will be the same as the total paid in 2016.

Since the tenants have not proven their case they must bear the cost of filing their own application.

### **Conclusion**

The tenant's application is dismissed.

This decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under Section 9.1(1) of the *Manufactured Home Park Tenancy Act*.

Dated: December 30, 2016

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Residential Tenancy Branch