Dispute Resolution Services

Residential Tenancy Branch Office of Housing and Construction Standards

DECISION

Dispute Codes DRI, FFT

Introduction

On August 13, 2018, the Tenants applied for a Dispute Resolution proceeding seeking to Dispute a Rent Increase pursuant to Section 36 of the *Manufactured Home Park Tenancy Act* (the "*Act*") and seeking recovery of the filing fee pursuant to Section 65 of the *Act*.

The Tenants and Landlord both attended the hearing. As well, D.S. attended the hearing as an agent for the Landlord. All in attendance provided a solemn affirmation.

The Tenants advised that they served the Landlord with the Notice of Hearing package and evidence by registered mail and the Landlord confirmed that he received this. Based on this undisputed testimony, in accordance with Sections 89 and 90 of the *Act*, I am satisfied that the Landlord has been served with the Notice of Hearing and evidence.

The Landlord stated that he served his evidence to the Tenants by process server on September 7, 2018 and September 20, 2018 and the Tenants advised that they received this evidence. As such, I am satisfied that the evidence has been satisfactorily served on the Tenants in accordance with Rule 3.15 of the Rules of Procedure, and it was considered when rendering this decision.

All parties were given an opportunity to be heard, to present sworn testimony, and to make submissions. I have reviewed all oral and written submissions before me; however, only the evidence relevant to the issues and findings in this matter are described in this Decision.

Issue(s) to be Decided

- Was a rent increase imposed contrary to the Act?
- Are the Tenants entitled to recover the filing fee?

Background and Evidence

All parties agreed that the tenancy agreement stated that the tenancy started on March 27, 2018 and that rent was established at \$580.00 per month, due on the first day of each month. The tenancy agreement submitted into evidence confirms the details of this tenancy and that all parties signed in agreeance to these terms on March 15, 2018.

Both parties provided conflicting testimony with respect to how many meetings they had prior to the tenancy agreement being signed. However, they did provide similar testimony in that there was a discussion on the actual amount of rent owing and that \$513.84 would be paid for rent for the two months and then rent would be \$580.00 per month, as per the tenancy agreement, starting June 2018.

The Tenants were curious how the Landlord decided to ask for \$513.84 for the first few months as this was an oddly specific number. They submitted that it is their belief that the difference from \$513.84 to \$580.00 is an 11.5% illegal rent increase. While the Landlord stated that he discounted rent for the Tenants for the first two months, the Tenants submitted that they had never heard of getting a deal on rent. As well, they questioned the legitimacy of this as the Landlord offered this discount without consulting with the owners of the property.

The Landlord stated that when he sets rent, he usually charges what the market can bear and that the pad rent for the previous tenant was \$600.00 per month. However, based on his judgement of their demeanour during his interaction with the Tenants, he reduced the rent to \$580.00 per month to make them happy. He stated that he offered the Tenants a further rent reduction to \$513.84 per month for the first two months and that rent would be owed in full as of June 2018. He stated that there is nothing in the *Act* which precludes him from offering a discount on rent. He also advised that he chose the \$66.16 discount because the number "just came to his head" and "sounded nice" and he does his best to make all his tenants happy. The Landlord submitted that he is well versed in the *Act* and he knows that a rent increase can only be implemented after 12 months, when using the correct form.

D.S. referred to Part 1 of the tenancy agreement where it states that any terms not agreed to in writing are not enforceable. As such, the only agreed upon amount of rent was established by Part 3 of the tenancy agreement. Furthermore, it is open for the Landlord to offer a rent discount and there is nothing in the *Act* which precludes rent discounts from being offered.

<u>Analysis</u>

In considering this matter, the consistent and undisputed evidence before me is that a tenancy agreement was signed on March 15, 2018 by all parties and that rent was established to be \$580.00 per month. Even though the Tenants paid \$513.84 per month for the first two months of the tenancy, it does not make sense to come to the conclusion that \$513.84 is the amount of rent that would have been established to be owing each month. Given that the Tenants knowingly signed the tenancy agreement agreeing to rent being established at \$580.00 per month, I do not find it reasonable that it is not clear that not having to pay the rent in full for the first two months would constitute anything more than a discount in rent.

Section 20 of the *Act* stipulates that the Tenants are required to pay the rent in full on the day that rent is due; however, there is no provision in the *Act* which restricts a Landlord from offering discounts in rent. In my view, I do not find that there was a rent increase imposed by the Landlord, as suggested by the Tenants. As such, I dismiss their Application in its entirety.

As the Tenants were unsuccessful in this application, I find that the Tenants are not entitled to recover the \$100.00 filing fee paid for this application.

Conclusion

I dismiss the Tenants' Application without leave to reapply.

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: October 3, 2018

Residential Tenancy Branch