

## **Dispute Resolution Services**

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# Residential Tenancy Branch Office of Housing and Construction Standards

#### **DECISION**

Dispute Codes OPT, FFT

#### Introduction

This hearing dealt with the applicants' application pursuant to the *Residential Tenancy Act* ("*Act*") for:

- an order of possession for the rental unit, pursuant to section 54; and
- authorization to recover the filing fee for this application, pursuant to section 72.

"Applicant YS" did not attend this hearing, which lasted approximately 28 minutes. The applicant NO ("applicant"), the respondent and the respondent's lawyer attended the hearing and were each given a full opportunity to be heard, to present affirmed testimony, to make submissions and to call witnesses.

The applicant confirmed that he had permission to represent applicant YS at this hearing (collectively "applicants"). The applicant confirmed that his father was observing the hearing only and he did not testify. The respondent confirmed that her lawyer had permission to speak on her behalf.

The respondent's lawyer confirmed receipt of the applicants' application for dispute resolution hearing package. In accordance with sections 89 and 90 of the *Act*, I find that the respondent was duly served with the applicants' application.

The applicant confirmed that he did not receive a copy of the respondent's evidence package. As I was not required to consider this evidence at the hearing or in my decision, I decline to make findings regarding service.

At the outset of the hearing, I asked both parties to provide verbal submissions on whether I had jurisdiction to hear the applicants' application under the *Act*, as the respondent's lawyer raised the issue at the hearing.

#### Issue to be Decided

Does the Residential Tenancy Branch ("RTB") have jurisdiction to consider this application?

#### Background and Evidence

While I have turned my mind to the applicants' documentary evidence and the testimony of both parties, not all details of the respective submissions and arguments are reproduced here. The relevant and important aspects of the applicants' claims and my findings are set out below.

Both parties agreed to the following facts. The respondent rented a room to the applicant in the same rental unit where she was already residing. The applicant moved into the rental unit in October 2018. Monthly rent in the amount of \$1,350.00 was payable by the respondent to the applicant. No written tenancy agreement was signed between the parties. Both parties lived in the rental unit at the same time in separate rooms; the applicant lived in the master bedroom and the respondent lived in the den. The respondent has a written tenancy agreement with the owner of the rental unit and pays her own rent for the entire rental unit, to the owner. The respondent lives in the rental unit for approximately 40% of the time, as she travels out of country for the remainder. The respondent locked the applicant out of the rental unit on August 6, 2020 and put his belongings in storage.

The respondent's lawyer submits that this is not a residential tenancy and I have no jurisdiction to hear this claim because it is excluded by the *Act*. She claimed that the respondent is not the owner of the rental unit and that this is a roommate agreement. She explained that no landlord-tenant relationship was ever established between the parties. She stated that the parties know each other from the film industry, the applicant moved in for what was supposed to be a few weeks and ended up staying for a long time. She agreed that the respondent contributes to rent. She said that the respondent repeatedly asked the applicant to leave the rental unit and involved the police, but the applicant refused to vacate. She maintained that although the respondent travels, she did not move out, and her belongings still remained in the rental unit.

The applicant submits that this is a residential tenancy and I have jurisdiction to hear this application under the *Act*. He said that both parties developed a landlord-tenant relationship through text messages. He claimed that he provided a written tenancy agreement to the respondent, but she did not sign it. He stated that there are seven

other people that have lived in this rental unit. He explained that the respondent rents out every room of the rental unit. He agreed that he did not have a direct relationship or tenancy agreement with the owner or property manager of this rental building. He maintained that when he first moved into the rental unit, he was paying \$1,200.00 per month to rent the second bedroom and then he moved into the master bedroom later at \$1,350.00 per month.

#### Analysis

I must decide jurisdiction with respect to the rental unit where the applicant resided, as both parties dispute whether they had a landlord and tenant relationship.

The jurisdiction of the Act, and in turn my jurisdiction, is set out in section 2 of the Act.

Subsection 2(1) of the *Act* sets out that:

2 (1) Despite any other enactment..., this Act applies to tenancy agreements, rental units and other residential property.

"Tenancy agreement" is defined in section 1 of the *Act* (my emphasis added):

"tenancy agreement" means an agreement, whether written or oral, express or implied, <u>between a landlord and a tenant</u> respecting possession of a rental unit, use of common areas and services and facilities, and includes a licence to occupy a rental unit...

"Landlord" is defined in section 1 of the Act (my emphasis added):

"landlord", in relation to a rental unit, includes any of the following:

- (a) the owner of the rental unit, the owner's agent or another person who, on behalf of the landlord,
  - (i) permits occupation of the rental unit under a tenancy agreement, or
  - (ii) exercises powers and performs duties under this Act, the tenancy agreement or a service agreement;
- (b) the heirs, assigns, personal representatives and successors in title to a person referred to in paragraph (a);
- (c) a person, other than a tenant occupying the rental unit, who
  - (i) is entitled to possession of the rental unit, and

(ii) exercises any of the rights of a landlord under a tenancy agreement or this Act in relation to the rental unit;(d) a former landlord, when the context requires this;

Section 6 indicates that the *Act* is enforceable between a landlord and tenant (my emphasis added):

- 6 (1) The <u>rights, obligations and prohibitions established under this Act are</u> <u>enforceable between a landlord and tenant</u> under a tenancy agreement.
- (2) A landlord or tenant may make an application for dispute resolution if the landlord and tenant cannot resolve a dispute referred to in section 58 (1) [determining disputes].
- (3) A term of a tenancy agreement is not enforceable if
  - (a) the term is inconsistent with this Act or the regulations,
  - (b) the term is unconscionable, or
  - (c) the term is not expressed in a manner that clearly communicates the rights and obligations under it.

In order to have a tenancy agreement, there must be an intention by the parties to form the legal relationship of landlord and tenant. Without this intention, no enforceable agreement under the *Act* arises from the relationship. I find that the respondent was not a "landlord" as defined in section 1 of the *Act*. The definition of a landlord specifically excludes "a tenant occupying the rental unit." I find that the respondent was a tenant occupying the rental unit. She has a tenancy agreement with the owner of the property, which the applicant did not dispute. Both the applicant and respondent agreed that they did not sign a written tenancy agreement with each other.

Residential Tenancy Policy Guideline 19 entitled "Assignment and Sublet" provides the following definitions of subletting, occupants and roommates (my emphasis added):

#### C. SUBLETTING

Sublets as contemplated by the Residential Tenancy Act

When a rental unit is sublet, the original tenancy agreement remains in place between the original tenant and the landlord, and the original tenant and the subtenant enter into a new agreement (referred to as a sublease agreement). Under a sublease agreement, the original tenant transfers their rights under the tenancy agreement to a subtenant. This must be for a period shorter than

the term of the original tenant's tenancy agreement and the subtenant must agree to vacate the rental unit on a specific date at the end of sublease agreement term, allowing the original tenant to move back into the rental unit. The original tenant remains the tenant of the original landlord, and, upon moving out of the rental unit granting exclusive occupancy to the sub-tenant, becomes the "landlord" of the sub-tenant...

. . .

Occupants/roommates

Disputes between tenants and landlords regarding the issue of subletting may arise when the tenant has allowed a roommate to live with them in the rental unit. The tenant, who has a tenancy agreement with the landlord, remains in the rental unit, and rents out a room or space within the rental unit to a third party. However, unless the tenant is acting as agent on behalf of the landlord, if the tenant remains in the rental unit, the definition of landlord in the Act does not support a landlord/tenant relationship between the tenant and the third party. The third party would be considered an occupant/roommate, with no rights or responsibilities under the Residential Tenancy Act.

Both parties agreed that the respondent lived in one of the rooms of the rental unit and did not vacate or remove any of her belongings at any point while the applicant was residing in another room at the same rental unit. I find that this was not a "sublease" as defined above, because the respondent never vacated the property at any time transferring her rights to the applicant.

I find that the respondent rented out a room within the rental unit to a third party, the applicant. I find that the respondent remained in the rental unit during the relevant time period in question. Regardless of whether the respondent travelled during the relevant time period, I find that she still had her belongings at the rental unit and always returned there to reside for at least 40% of the time, as agreed by both parties. I also find that the respondent was not an agent for the owner of the rental unit. I find that the parties using terms such as "landlord" and "tenant" when communicating with each other does not define their relationship as that of a landlord and tenant. As per the above policy guideline, I find that the applicant and respondent were roommates.

Since the respondent is not a landlord as defined under the *Act*, I find that no landlord and tenant relationship was created between the applicant and respondent. Therefore, no enforceable rights, obligations, or prohibitions can be determined by me under the *Act*. Since a tenancy agreement can only be created between a landlord and a tenant, I find that none has been created here and hence, the *Act* does not apply.

For the above reasons, I find that this is not a matter within the jurisdiction of the RTB. Accordingly, I decline jurisdiction over the applicants' application.

### Conclusion

I decline jurisdiction over the applicants' application.

I make no determination on the merits of the applicants' application.

Nothing in my decision prevents either party from advancing their claims before a Court of competent jurisdiction.

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

Dated: August 31, 2020

Residential Tenancy Branch