

# **Dispute Resolution Services**

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### Residential Tenancy Branch Ministry of Housing

### **DECISION**

<u>Dispute Codes</u> DRI, OLC, RR, PSF, FFT

#### <u>Introduction</u>

On March 11, 2023, Tenant K.B. made an Application for Dispute Resolution seeking to dispute a rent increase pursuant to Section 36 of the *Manufactured Home Park Tenancy Act* (the "*Act*"), seeking an Order to comply pursuant to Section 55 of the *Act*, and seeking to recover the filing fee pursuant to Section 65 of the *Act*.

On March 17, 2023, Tenant W.S. made an Application for Dispute Resolution seeking to dispute a rent increase pursuant to Section 36 of the *Act*, seeking a rent reduction pursuant to Section 58 of the *Act*, seeking the provision of services or facilities pursuant to Section 55 of the *Act*, and seeking an Order to comply pursuant to Section 55 of the *Act*.

On March 12, 2023, Tenant D.M. made an Application for Dispute Resolution seeking to dispute a rent increase pursuant to Section 36 of the *Act*, seeking an Order to comply pursuant to Section 55 of the *Act*, and seeking to recover the filing fee pursuant to Section 65 of the *Act*.

On March 11, 2023, Tenant D.B. made an Application for Dispute Resolution seeking to dispute a rent increase pursuant to Section 36 of the *Act*, seeking an Order to comply pursuant to Section 55 of the *Act*, and seeking to recover the filing fee pursuant to Section 65 of the *Act*.

All four Tenants attended the hearing. Landlords D.B. and B.B. attended the hearing as well. At the outset of the hearing, I explained to the parties that as the hearing was a teleconference, none of the parties could see each other, so to ensure an efficient, respectful hearing, this would rely on each party taking a turn to have their say. As such, when one party is talking, I asked that the other party not interrupt or respond unless

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prompted by myself. Furthermore, if a party had an issue with what had been said, they were advised to make a note of it and when it was their turn, they would have an opportunity to address these concerns. The parties were also informed that recording of the hearing was prohibited and they were reminded to refrain from doing so. All parties in attendance provided a solemn affirmation.

As the Landlords were present, service of the Notice of Hearing packages was not discussed so as not to waste any hearing time. Service of evidence was addressed briefly and there were no concerns with service. However, the parties were advised to inform me if the other party referred to some documentary evidence that was not before them. As neither party raised a concern with evidence, I am satisfied that both parties served their evidence on the other. As such, all parties' evidence will be accepted and considered when rendering this Decision.

During the hearing, I advised the parties that as per Rule 2.3 of the Rules, claims made in an Application must be related to each other and that I have the discretion to sever and dismiss unrelated claims. Tenant D.M advised that the most pressing issue to be addressed would be the dispute of the rent increase. As such, this hearing primarily addressed the Landlords' rent increase, and the other claims are dismissed with leave to reapply. The Tenants are at liberty to apply for these other claims under a new and separate Application.

All parties were given an opportunity to be heard, to present sworn testimony, and to make submissions. I have reviewed all oral 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 implemented contrary to the Act?
- Are the Tenants entitled to recover the filing fee?

#### Background and Evidence

While I have turned my mind to the accepted documentary evidence and the testimony

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of the parties, not all details of the respective submissions and/or arguments are reproduced here.

The Tenants advised that they were disputing the Landlords' rent increase and the calculation of the proportional amount because the proper invoices were not supplied by the Landlords, despite the Tenants requesting them. They claimed that they paid for their own water and sewage in accordance with their tenancy agreements, so the Landlords' request for these amount to a double dipping. They referenced documentary evidence submitted by the Landlords and indicated that it is unclear where they obtained some figures to use to calculate the proportional amount. They stated that there was also no explanation for these calculations.

Landlord D.B. advised that they took over ownership of the park in January 2022 and that they served the Notice of Rent Increase form, but this was a new form for them. They attempted to fill it out as best as they could with the documents that were available to them. However, they were not able to obtain all documents from the previous owner. She testified that the water utility bill is new as the park was required to ensure that there was access to ground water. She referenced the documentary evidence submitted to support the Landlords' position.

She was asked if they provided the Tenants with the required documents, along with the Notice of Rent Increase form, so that the Tenants could understand how the proportional amount was calculated. D.B. stated that they did not include those documents as they were under the impression that the three invoices submitted were sufficient.

#### Analysis

Upon consideration of the evidence before me, I have provided an outline of the following Sections of the *Act* that are applicable to this situation. My reasons for making this Decision are below.

Section 34 of the *Act* stipulates that the Landlords may only increase rent if they comply with the Sections pertaining to rent increases in the *Act*. Furthermore, Section 35 states that the Landlords cannot impose a rent increase for at least 12 months after the date on which the Tenants' rent was first payable for the site or the effective date of the last rent increase made in accordance with this *Act*. As well, the Landlords must give the

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Tenants a notice of a rent increase at least 3 months before the effective date of the increase, and this notice must be in the approved form. Finally, Section 36 indicates that the Landlords may impose a rent increase only up to the amount: calculated in accordance with the *Manufactured Home Park Tenancy Regulation* (the "Regulation"), ordered by the Director of the Residential Tenancy Branch, or agreed to by the Tenant in writing.

Moreover, Policy Guideline # 37A on the Residential Tenancy Branch website discusses annual rent increases in depth, and indicates what documents must be included with the Notice of Rent Increase form. As well, the following excerpt from the Residential Tenancy Branch webpage on the Proportional Amount Rent Increase outlines what documents must be provided to the Tenants:

#### **Complete the Form and Submit Proof**

The landlord must be sure to complete the entire form and provide access to a complete copy of the following documents:

- Tax statements for the most recent 12 months and previous 12 months (depending on the time of year, up to 3 years of statements may be required)
- Invoices for local government services for the most recent 12 months and previous 12 months
- Invoices for regulated utilities (electricity, natural gas, etc.) for the most recent 12 months and previous 12 months

These documents may be posted in a common area for all tenants, but the landlord must provide a tenant with copies upon request.

When reviewing the totality of the evidence before me, given that the consistent and undisputed evidence before me is that the Landlords did not provide these documents with the Notice of Rent Increase form as required, despite being asked by the Tenants for them, I am satisfied that the Landlords did not implement a rent increase in accordance with the *Act* and *Regulation*. As such, I am satisfied that the Tenants have established that the Landlords attempted to increase the rent illegally.

As the Tenants were successful in these claims, I find that Tenants K.B., D.M., and D.B. are entitled to recover the \$100.00 filing fee paid for this Application. Pursuant to Section 65 of the *Act*, I allow these three Tenants to withhold this amount from the next month's rent in satisfaction of this debt outstanding.

## Conclusion

The Landlords' Notice of Rent Increase dated September 29, 2022, is cancelled and of no force or effect.

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*.

Residential Tenancy Branch