



Dispute Resolution Services

Page: 1

Residential Tenancy Branch
Ministry of Housing and Social Development

DECISION

Dispute Codes O

Introduction

A substantial amount of documentary evidence, photo evidence, and written arguments has been submitted by the parties prior to the hearing. I have thoroughly reviewed all submissions.

I also gave the parties the opportunity to give their evidence orally and the parties were given the opportunity to ask questions of the other parties.

All testimony was taken under affirmation.

Issues(s) to be Decided

This is a request by the landlord for an additional rent increase, over and above the 3.7% allowed, to bring all rents in the park to \$330.00. The landlord brings this application under section 23(1)(a) of the Manufactured Home Park Tenancy Act, which states:

23(1)(a) - the landlord may apply for an additional rent increase if, after the rent increase allowed under section 22 [*annual rent increase*], the rent for the rental unit is significantly lower than the rent payable for other rental units that are similar to, and in the same geographic area as, the rental unit.

Background and Evidence

The applicants testified that:

- The tenants in this park have benefited from low rent for a long time as it has been 15 years since there was a rent increase in this park.
- The rents in this Manufactured Home Park are now significantly lower than the rent paid by tenants in similar Manufactured Home Parks in the same geographical area as this park.
- Although rents vary, the average rent in the similar Manufactured Home Parks in 2008 was \$343.00, and now in 2009 is \$353.00.

The landlord is therefore asking for an additional rent increase to allow them to bring the rent for each of the Manufactured Home Park sites to \$330.00, thereby bringing the rent closer to market value.

The respondents testified that:

- These Manufactured Home Park sites are not similar to the Manufactured Home Park sites to which the landlord has compared them, because the landlord does not supply the same level of services and they do not have the same amenities as the other Manufactured Home Parks.
- Some of the Manufactured Home Parks to which the landlord has made comparison cannot be considered to be in the same geographical area as they are not as close to train tracks as is this park.
- The upkeep of this Manufactured Home Park is also not at the same level as the parks to which the landlord has made his comparisons.
- There are also two Manufactured Home Park sites in this park which are significantly smaller than the other sites and should therefore not be paying the same amount of rent as all the other sites.

The respondents therefore ask that the landlord's request for an additional rent increase be denied.

Analysis

Although I find that the tenants have shown that there are differences in the level of services and amenities provided by this Manufactured Home Park, compared to those provided by the parks that have been used as comparisons, it is my finding that the landlords have shown that these sites are reasonably similar.

The Manufactured Home Park Tenancy Act does not require that the sites to which these sites are compared, be exactly the same and in fact that would be almost impossible to find, that is why they've used the word similar.

It is also my finding that the landlords have shown that the rental sites, to which they made comparisons, are in the same geographical area. The fact that some of the parks may not be as close to train tracks as others is of little significance.

The landlords have also shown that the average rents payable in their Park are significantly lower than the average rents payable for the comparable parks and therefore an additional rent increase is justified, especially since the amount for which the landlord is asking is still less than the average amount of rent paid in the similar sites.

That being said it is also my finding that a major factor in the rents being significantly lower, is the fact that the landlord did not raise the rent over the past 15 years and although the tenants may have benefited from lower rent for a long period of time it also

puts them in a difficult position if I allow the rent to be raised to the full \$330.00 in one step.

Therefore although I will in most cases allow the rent to be raised to \$330.00 per site, the increase must be phased in, in two steps, one year apart.

Conclusion

I hereby order that the landlord may issue a rent increase this year as follows:

Rent 1- rent before increase- \$200.00	\$65.00 increase allowed
Rent 3- rent before increase- \$220.00	\$55.00 increase allowed
Rent 4- rent before increase- \$230.00	\$50.00 increase allowed
Rent 5- rent before increase- \$240.00	\$45.00 increase allowed
Rent 6- rent before increase- \$250.00	\$40.00 increase allowed
Rent 7- rent before increase- \$260.00	\$35.00 increase allowed
Rent 8- rent before increase- \$280.00	\$25.00 increase allowed
Rent 9- rent before increase- \$300.00	\$15.00 increase allowed

I further order that the landlord may issue a second rent increase, of the same amounts listed above, to take effect one year following the effective date of the above increase,

I make two exceptions to the above, namely site 25 and site 42. These two sites are substantially smaller than the other sites in the park and therefore it is my decision that the rent for these sites may only be increased to \$300.00 per month.

I therefore order to the landlord may issue a rent increase this year as follows.

Site 25- rent before increase-\$230.00	\$35.00 increase allowed
--	--------------------------



Dispute Resolution Services

Page: 5

Residential Tenancy Branch
Ministry of Housing and Social Development

I further order that the landlord may issue a second rent increase to sites 25 and 42, of the same amounts listed above, to take effect one year following the effective date of the above increase.

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: June 18, 2009.

Dispute Resolution Officer