



# Landlord and Tenant Fact Sheet

RTB-131

## Rent Increase Formula for Manufactured Home Parks

Manufactured Home Park Tenancy Act s. 36(1), Manufactured Home Park Tenancy Regulation s. 32

This fact sheet explains the rent increase formula for manufactured home parks. Effective July 18, 2007, landlords are able to pass through increases in the cost of property taxes and utilities to tenants.

### Rent increase formula

Under the Manufactured Home Park Tenancy Act, effective July 18, 2007, a landlord may raise a tenant's annual rent by the following amount:

inflation rate + 2% + proportional amount

### Inflation rate

The inflation rate for each calendar year will be available on the Residential Tenancy Branch website in September of the previous year, under the heading "News".

### Proportional amount

The "proportional amount" is the change in local government levies (taxes) plus the change in utility fees, divided by the number of manufactured home sites in the manufactured home park. This means that each resident (tenant) of the park pays for a part of the year's increase in taxes and fees.

*Government levies:* Government levies are the things that you find listed on a tax notice, such as school taxes, hospital levies, garbage collection fees, and fees for water services.

*Utility fees:* Utility fees are charges for public utilities such as electricity, natural gas, water, telephone and cable.

The landlord may only pass on the cost of government levies and utility fees that are for the *common* property of the park. The landlord must give the tenant a copy of the most recent tax notice and bills for utility fees with the Notice of Rent

Increase – Manufactured Home Site (form #RTB-11). The form includes detailed instructions on what bills can be included and how to fill out the form.

### Amounts that *cannot* be included

Expenses that are not local government fees and utility fees cannot be included when calculating a rent increase. If electricity is generated by diesel fuel, for example, a landlord may not include the increased cost of diesel fuel. The fees must be paid to a local government or a regulation utility in order to be included.

The Act states that the rent increase cannot be more than the amount calculated by the formula (inflation rate + 2% + proportional amount). This means that a landlord cannot round up any cents left in calculating the allowable increase. For example, if the base rent is \$800 and the maximum allowable increase is \$36.80, the landlord can issue a Notice of Rent Increase for a new rent of up to \$836.80, but not \$837.

### Residential Tenancy Branch

Office of Housing and Construction Standards  
Ministry of Energy and Mines

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