



Civil Resolution Tribunal

Date Issued: February 21, 2024

File: SC-2023-004667

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *Sharma v. Lane*, 2024 BCCRT 163

BETWEEN:

DARPAN SHARMA

APPLICANT

AND:

PATRICK MICHAEL LANE and PATRICK JOSEPH LANE

RESPONDENTS

REASONS FOR DECISION

Tribunal Member:

Kristin Gardner

INTRODUCTION

1. Darpan Sharma says he bought a house from Patrick Michael Lane and his father, Patrick Joseph Lane (together, the sellers). Mr. Sharma says the sellers misrepresented on the property disclosure statement (PDS) that the water pipe between the house and the city line had been replaced. He says that after he took possession, he discovered the sellers had only replaced a short section of the pipe.

Mr. Sharma says he had to replace the entire water pipe himself, and he claims the \$4,200 cost to do so.

2. The sellers say that before they listed the house for sale, they hired plumbers to assess a leak in the waterline and complete any necessary repairs or replacements. They say the waterline was in working order from the time the plumbers completed the work to the sale completion date. The sellers also say the house was sold “as is” and that Mr. Sharma had the property inspected, so they say they are not responsible for any leaks after Mr. Sharma took possession. I infer the sellers deny misrepresenting the waterline replacement on the PDS.
3. Mr. Sharma is self-represented. Patrick Michael Lane represents both respondents.

JURISDICTION AND PROCEDURE

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT’s mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness.
5. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT’s mandate to provide proportional and speedy dispute resolution, I find that an oral hearing is not necessary in the interests of justice.
6. Section 42 of the CRTA says the CRT may accept as evidence information that it considers relevant, necessary, and appropriate, whether or not the information would be admissible in a court of law.

ISSUES

7. The issues in this dispute are:
 - a. Did the parties have a contract for the purchase and sale of the property?
 - b. If so, must the sellers reimburse Mr. Sharma \$4,200 for the cost of replacing the water pipe?

EVIDENCE AND ANALYSIS

8. In a civil proceeding like this one, the applicant Mr. Sharma must prove his claims on a balance of probabilities (meaning “more likely than not”). I have read all the parties’ submissions and evidence but refer only to what I find is necessary to explain my decision.
9. Mr. Sharma says that in January 2023, he bought a property from the sellers. He provided a copy of the January 7, 2023, contract of purchase and sale (CPS) and the PDS, which was incorporated into the CPS. He says the sellers misrepresented in the PDS that a water pipe had been replaced.
10. The difficulty for Mr. Sharma is that the buyer listed on the CPS is “Shri Ram Holdings Ltd.”. Mr. Sharma’s name does not appear anywhere on the CPS or on any subsequent documents related to the property’s purchase, including a January 16, 2023, amendment to the CPS and a January 20, 2023 form confirming the buyer (Shri Ram Holdings Ltd.) removed the subject to clauses in the CPS.
11. Mr. Sharma did not explain his relationship to Shri Ram Holdings Ltd. I infer that he is a principal of the company, though there is insufficient evidence before me to conclusively make that finding. In any event, incorporated companies like Shri Ram Holdings Ltd. are separate legal entities that can enter into contracts, independent from its principals, shareholders, officers, or employees.
12. Given that Mr. Sharma was not the buyer, I find that he was not a party to the CPS. I find the legal doctrine known as “privity of contract” is relevant here. Privity of contract

means that a contract cannot give rights to or impose obligations on anyone who is not a party to the contract. In other words, only a party to a contract has standing (the ability to demonstrate a legal right or interest) to enforce it.

13. As noted above, Mr. Sharma has the burden of proving his claims. Based on the CPS in evidence, I find the agreement for the property's purchase and sale was between Shri Ram Holdings Ltd. and the sellers. Because Mr. Sharma was not a party to the CPS, I find he does not have any enforceable rights under it, including any claim for misrepresentation based on the PDS. Therefore, I find Mr. Sharma has not proven his claim, and so there is no basis to order the sellers to reimburse Mr. Sharma for the cost to replace the water pipe.
14. I make no findings about the rights and obligations of any party to the CPS. Nothing in this decision prevents Shri Ram Holdings Ltd. from filing a fresh CRT dispute, subject to the applicable limitation period.
15. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. As Mr. Sharma was unsuccessful in this dispute, I dismiss his claim for CRT fees. The sellers did not pay CRT fees, and no party claimed dispute-related expenses.

ORDER

16. I dismiss Mr. Sharma's claims, and this dispute.

Kristin Gardner, Tribunal Member