



Dispute Resolution Services

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Residential Tenancy Branch
Ministry of Housing and Social Development

DECISION

Dispute Codes MNR, MNSD, FF

Introduction

A substantial amount of documentary 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 for a monetary order for \$335.34 for lost rental revenue, and a request that the respondent bear the \$50.00 cost of the filing fee that was paid for this hearing.

Background and Evidence

The applicant testified that:

- The tenant signed a one-year year lease which was to run until April 25, 2010.
- The tenant subsequently gave a two months notice of his intention to end the tenancy on July 25, 2009.
- The rental unit was re-rented, however the new tenant did not start paying rent until August 1, 2009, and therefore the landlord lost \$335.34 in rental income.

The applicant is therefore requesting that he be allowed to keep \$335.34 of the tenants security deposit to cover that lost revenue, and is also requesting he be allowed to keep a

further \$50.00 of the tenant security deposit to cover the cost of the filing fee that he paid for his application for dispute resolution.

The respondent testified that:

- He did sign a one-year lease; however he had to break that lease due to his work commitments.
- He gave the landlord two months notice of his intention to break the lease, and vacated at the end of that two months period.
- He also advertised for, and found a new tenant for the landlord, who began her tenancy on August 1, 2009.
- The only reason the landlord lost any rental revenue is due to the odd monthly rental period set out in their tenancy agreement.
- The monthly term ran from the 26th of one month to the 25th of the following month and since most tenants want to start their tenancy on either the 15th of the month or the first of the month it made it very difficult.
- As a result of the strange term, even though he left at the end of his monthly term, there was still a gap between when he vacated and when the new tenant took possession.

The respondent therefore does not believe that he should have to bear the cost of the lost revenue caused by this gap in the tenancy.

Analysis

It is my decision that the tenant is liable for the lost rental revenue.

When landlords and tenants enter into a fixed term tenancy agreement it is for the protection of both. The tenant has the security of knowing that he does not have to vacate



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until the end of the term of the tenancy and the landlord has the security of knowing that he will have the rental revenue until the end of the term of the tenancy.

If one or the other chooses to end the tenancy before the end of the term they are liable for any loss that results for the other.

I can certainly understand how it would be difficult to find a renter to match the terms set out in this fixed term tenancy agreement; however both the landlord and tenant signed this tenancy agreement and therefore obviously both agreed to it at the time of signing. Therefore since it is the tenant who chose to vacate before the end of the term of the tenancy, it is the tenant who must bear any loss the results from that decision.

In this case the landlord lost \$335.34 in rental revenue and therefore the tenant is liable for that full amount.

I further order that the respondent bear the \$ 50.00 cost of the filing fee paid for this hearing.

Conclusion

I have allowed the landlords full claim of \$385.34. The landlord may therefore retain \$385.34 of the tenants security deposit and the remaining \$464.66 must be returned to the tenant.

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: November 18, 2009.

Dispute Resolution Officer