



# Dispute Resolution Services

Page: 1

Residential Tenancy Branch  
Ministry of Housing and Social Development

## **DECISION**

Dispute Codes      MNDC, MNSD, FF

### Introduction

This matter dealt with an application by the Landlord for compensation for a loss of rental income, to recover the filing fee for this proceeding and to keep the Tenants' security deposit in partial payment of those amounts.

### Issues(s) to be Decided

1. Is the Landlord entitled to compensation for a loss of rental income and if so, how much?
2. Is the Landlord entitled to keep all or part of the Tenants' security deposit?

### Background and Evidence

This month-to-month tenancy started on October 23, 2009 and ended on March 31, 2010 when the Tenants moved out. Rent was \$650.00 per month payable in advance on the 1<sup>st</sup> day of each month. The Tenants paid a security deposit of \$325.00 at the beginning of the tenancy.

The Landlord said the Tenants did not give him written notice that they were ending the tenancy. The Landlord claimed that one of the Tenants (J.F.S.) verbally advised him toward the end of March that he would be moving out but the other Tenant (G.H.) advised him verbally that she would give him one month's notice. The Landlord said the rental unit was not re-rented until mid-July 2010. The Landlord said he initially relied on advertising the rental unit "by word of mouth" at his work place until June 2010 when he advertised it in a local newspaper.

One of the Tenants (G.H.) claimed that she told the Landlord on March 9<sup>th</sup> that both of the Tenants would both be moving out at the end of March 2010 and that the Landlord said it would not be a problem.

### Analysis

Section 45(1) of the Act states that a Tenant of a month-to-month tenancy must give a Landlord one clear month's notice in writing that they are ending their tenancy. If a Tenant ends a tenancy earlier, they may have to compensate the landlord for a loss of

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rental income that he incurs as a result. Section 7(2) of the Act states that a party who suffers damages must do whatever is reasonable to minimize their losses. This means that a landlord must try to re-rent a rental unit as soon as possible to minimize a loss of rental income.

In this case the Landlord claimed that the Tenants did not give him written notice and did not give him one full month's verbal notice they were ending the tenancy. In other words, in order to end the tenancy at the end of March 2010, the Tenants would have had to give the Landlord written notice no later than February 28, 2010. The Tenants claim that the Landlord verbally agreed that they could end the tenancy early without giving written notice.

I find that the Tenants were required to give the Landlord written notice they were ending the tenancy. Given the contradictory evidence of the Landlord, I also find that there is insufficient evidence to conclude that the Landlord agreed that the Tenants could end the tenancy without giving him one month's notice. However, I also find that the Landlord did not take reasonable steps to re-rent the rental unit once the Tenants moved out. In particular, I find that it was wholly inadequate for the Landlord to rely solely on word of mouth advertising at his workplace to find another Tenant. Consequently I find that the Landlord is only entitled to a loss of rental income for ½ of April 2010 or for \$325.00.

As the Landlord has been partially successful in this matter, I find that he is also entitled to recover ½ of the filing fee for this proceeding (or \$25.00) from the Tenants. I order the Landlord pursuant to s. 38(4) and s. 72 of the Act to keep the Tenants' security deposit in payment of the loss of rental income award. The Landlord will receive a monetary order for the balance owing of \$25.00.

## Conclusion

A monetary order in the amount of **\$25.00** has been issued to the Landlord and a copy of it must be served on the Tenants. If the amount is not paid by the Tenants, the Order may be filed in the Provincial (Small Claims) Court of British Columbia and enforced as an Order of that Court. 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: August 30, 2010.

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Dispute Resolution Officer