



# Dispute Resolution Services

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Residential Tenancy Branch  
Ministry of Housing and Social Development

## **DECISION**

Dispute Codes      MNR, MNDC, O, FF, MNSD

### Introduction

Some documentary evidence and written arguments has been submitted prior to the hearing. I have thoroughly reviewed all submissions.

I also gave the applicant the opportunity to testify at the hearing.

The respondent was served with notice of the hearing by hand on July 9, 2010, but did not join the conference call that was set up for the hearing.

All testimony was taken under affirmation.

### Issues(s) to be Decided

This is a request for a monetary order for \$13,570.00

### Background and Evidence

The applicant testified that:

- The tenants signed a fixed term tenancy agreement that was to run the to April 13, 2011, with rent set at \$3500.00 per month
- The tenant was given three weeks free rent as an incentive for signing the one year lease.
- The lease also had a liquidated damages clause that required the sum of \$7,000.00 be paid by the tenant, to cover the administration costs of re-renting the rental unit, if the tenancy agreement was breached.

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- The liquidated damages clause was established at \$7,000.00 because of the fact that the landlord lived in Ontario, and it would be very expensive to deal with re-renting the property.
- Both parties initialled their agreement to the liquidated damages clause.
- The tenant breached the terms of the tenancy agreement by leaving at the end of May 2010, resulting in substantial losses for the landlord.

The applicant is therefore requesting an order as follows:

Liquidated damages	\$7,000.00
Rent for the three weeks that was waived as incentive to enter a long term tenancy	\$2625.00
Cleaning costs to prepare the unit for renting	\$320.00
Filing fee	\$100.00
Total	\$13,545.00

The applicant also stated that they have lost a further \$6,129.00 in rental revenue since they applied for dispute resolution and wanted to add this on to the application however since the application has not been amended and the other party has not been notified of any increase to the application I am not willing to deal with this increase at this hearing.

The applicant will have to file a separate application for the further lost rental revenue.

## Analysis

Although the liquidated damages amount appears to be excessive, it is my finding that it is a reasonable pre-estimate of the costs the landlord may have incurred to re-rent the unit when she lives in Ontario and therefore I allow the claim for the \$7,000.00 liquidated damages.

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I also allow the claim for lost rental revenue for the month of June 2010, because the tenant breached the tenancy agreement and the landlord was not able to re-rent the unit in the month of June 2010 thereby losing the full rental revenue of \$3500.00 for that month.

I also allow the claim for the three weeks rent that was waived as an incentive to sign the fixed term tenancy agreement, because the tenant did not honour the agreement. The tenant must therefore pay that \$2625.00.

I deny the claim for cleaning, as the landlord has supplied no evidence to show that any extra cleaning was required as a result of the breach of the tenancy agreement.

I will allow the claim for the \$100.00 filing fee.

### Conclusion

I have allowed \$13,225.00 of the claim. The landlord may therefore retain the full security deposit of \$1750.00, and I have issued a monetary order in the amount of \$11,475.00.

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 23, 2010.

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Dispute Resolution Officer