

## **DECISION**

Dispute Codes      MNSD

### Introduction

This hearing dealt with the tenants' application pursuant to section 38 of the *Residential Tenancy Act* (the *Act*) to obtain a return of all or a portion of their security deposit. Both parties attended the hearing and were given a full opportunity to be heard, to present evidence and to make submissions. The parties agreed that the landlord issued a notice to end this tenancy for landlord use of the premises on September 17, 2011, requesting that the tenants vacate by October 31, 2011.

### Issues(s) to be Decided

Are the tenants entitled to a return of all or a portion of their security deposit?

### Background and Evidence

This periodic tenancy commenced on October 1, 2007. Monthly rent was set at \$800.00, payable in advance on the first of each month. The landlord continues to hold the tenants' \$400.00 security deposit paid on or about October 1, 2007.

The parties agreed that they conducted joint move-in and move-out condition inspections, although they agreed that the landlord did not prepare an inspection report for either of these inspections.

The parties agreed that the tenants vacated the rental unit on September 26, 2011. The tenants presented oral and written evidence that they agreed at that time to let the landlord retain \$200.00 from their security deposit to compensate the landlord for damage to one of the landlord's chairs. The tenants testified that they provided the landlord with their forwarding address in writing on September 26, 2011. The landlord testified that the tenants provided only their telephone number on September 26, 2011 and did not provide their forwarding address in writing

The tenants applied for a monetary award of the remaining \$200.00 of their security deposit. The landlord had refused to release these funds because he maintained that the tenants had damaged the rental unit and he had incurred costs to clean and repair the rental premises. The landlord confirmed that he had not yet applied for dispute

resolution to either retain the tenants' security deposit or to obtain a monetary award for damage arising out of this tenancy.

### Analysis

Pursuant to section 63 of the *Act*, the dispute resolution officer may assist the parties to settle their dispute and if the parties settle their dispute during the dispute resolution proceedings, the settlement may be recorded in the form of a decision or an order. During the hearing the parties discussed the issues between them, engaged in a conversation, turned their minds to compromise and achieved a resolution of their dispute.

Both parties agreed to the following settlement terms:

1. The parties agreed that the landlord will return \$100.00 to the tenants in order to resolve all outstanding financial matters in dispute arising out of this tenancy.
2. Both parties agreed that the landlord shall retain the remainder of the tenants' security deposit.
3. Both parties agreed that these terms represented the full and final settlement of all issues arising from this tenancy for both parties.

### Conclusion

In order to implement the above settlement reached between the parties, I issue a monetary Order in the tenants' favour in the amount of \$100.00. I deliver this Order to the tenants in support of the above agreement for use in the event that the landlord does not abide by the terms of the above settlement. As per the parties' agreement, I allow the landlord to retain all but \$100.00 from the tenants' security deposit.

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: December 13, 2011

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Residential Tenancy Branch