



Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

A matter regarding RANCHO MANAGEMENT SERVICES
and [tenant name suppressed to protect privacy]

DECISION

Dispute Codes MND, MNSD, FF

Introduction

This hearing dealt with a landlord's application for a Monetary Order for compensation for damage to the rental unit, including loss of rent; and, authorization to retain the security deposit. The tenants did not appear at the hearing. The landlord provided registered mail receipts, including tracking numbers, as evidence the hearing documents were sent to the tenants' forwarding address on December 3, 2012. The landlord also provided a copy of an email dated November 15, 2012 where the tenants provided the property manager with a forwarding address. The landlord confirmed that the registered mail sent to the tenants was successfully delivered. I was satisfied the landlord served the tenants with the hearing documents in a manner that complies with the Act and I proceeded to hear from the landlord without the tenants present.

Issue(s) to be Decided

1. Is the landlord entitled to compensation for damage to the carpeting, including loss of rent for one month, due to the actions of the tenants and if so, the amount?
2. Is the landlord authorized to retain the security deposit in partial satisfaction of the damage caused by the tenants?

Background and Evidence

The one year fixed term tenancy commenced on October 1, 2010 and the tenants paid a security deposit of \$550.00. The tenants had not paid a pet deposit. The tenants were required to pay rent of \$1,100.00 on the 1st day of every month. The tenancy ended October 31, 2012.

The property manager and the tenants participated in a move-in inspection together and a signed condition inspection report was provided as evidence. The property manager and the tenants participated in a move-out inspection together on November 19, 2012;

however, the tenants would not sign the report. A copy of the report, as prepared by the property manager was provided as evidence. The property manager explained that there was delay in performing the move-out inspection due to some confusion as to whether the owner or the property manager would do it.

In filing this application the landlord requested compensation of \$2,345.13 for carpet replacement, based upon three estimates, as well as \$1,100.00 for loss of rent due to the poor condition of the unit and delay in re-renting the unit. The landlord testified that he actually paid \$2,626.40 for carpet replacement, which was the highest quote, as that company was able install the new carpeting with very short notice.

The landlord submitted that the rental unit remained vacant for the month of November 2012 despite several prospective tenants coming to view the unit. Upon entering the unit most prospective tenants were repelled by the smell of urine. Finally, the landlord was able to secure replacement tenants with the condition the carpeting would be replaced.

The landlord provided copies of the three estimates for carpet replacement; a copy of a carpet cleaning invoice to demonstrate there was an attempt to clean them first; and, photographs of the carpeting, including the underside showing significant yellow staining.

The landlord testified that prior to this tenancy there was only one previous tenant. The building was built in 2009 with possession given to the owner in early 2010. The landlord submitted that the tenants had two dogs in the rental unit, without the landlord's consent, and contrary to strata by-laws.

I requested the landlord provide me with a copy of the invoice for the carpet installation as well as the tenancy agreement for the subsequent tenants. I received the requested documentation shortly after the teleconference call ended. The carpet invoice is dated November 29, 2012 and indicates the landlord paid \$2,626.40 including tax for removal of the old carpeting and underlay as well as installation of new carpet and underlay. The subsequent tenancy agreement was signed November 27, 2012 for a tenancy set to commence December 1, 2012 at the same monthly rent.

Analysis

A tenant is required to leave a rental unit undamaged and reasonably clean at the end of a tenancy. Normal wear and tear does not constitute damage. Normal wear and tear refers to the natural deterioration of an item due to reasonable use and the aging

process. A tenant is responsible for damage they may cause by their actions or neglect including actions of their guests or pets.

In consideration of the undisputed testimony, the signed move-in inspection report, the photographs, and the receipts and quotes presented to me, I accept that the carpeting in the rental unit was significantly stained and smelled of urine as submitted by the landlord. I accept that a strong urine smell would likely reduce the number of prospective tenants interested in renting the unit. Therefore, I find the tenants responsible for compensating the landlord for carpeting damage, including loss of rent for the following month.

Awards for damages are intended to be restorative. Where an item has a limited useful life it is appropriate to reduce the replacement cost by the depreciation of the original item. In order to estimate depreciation of the replaced carpeting I have referred to Residential Tenancy Policy Guideline 40: *Useful Life of Building Elements*.

The policy guideline provides that carpeting has an average useful life of 10 years. At the end of this tenancy the carpeting was 2 years and 10 months old and I find the tenants' actions or neglect caused a premature end to the life of the carpeting by 7 years and 2 months.

I have based the landlord's award upon the average cost of replacement carpeting of \$2,345.13 as indicated on the landlord's Application for Dispute Resolution as the landlord had not amended the claim to reflect the actual cost. Further, I find there was some delay on part of the landlord in arranging for the move-out inspection and obtaining carpet replacement quotes. Therefore, I hold the landlord responsible for paying for the premium to have the new carpeting installed on very short notice.

In light of the above, I award the landlord compensation calculated as follows:

$$\$2,345.13 \times 86/120 \text{ months} = \$1,680.68 + 1,100.00 = \$2,780.68$$

As the landlord's application has merit, I further award the \$50.00 filing fee to the landlord for a total award of \$2,830.68.

I authorize the landlord to retain the tenants' \$550.00 security deposit in partial satisfaction of the amounts awarded to the landlord. Therefore, I provide the landlord with a Monetary Order in the net amount of \$2,280.68 to serve and enforce as necessary.

Conclusion

The landlord has been authorized to retain the tenants' security deposit and has been provided a Monetary Order for the balance of \$2,280.68 to serve upon the tenants and enforce as necessary.

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: March 07, 2013

Residential Tenancy Branch

