



# Dispute Resolution Services

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Residential Tenancy Branch  
Office of Housing and Construction Standards

A matter regarding Sutton Group Property Management Division  
and [tenant name suppressed to protect privacy]

## **DECISION**

Dispute Codes      MNSD

### Introduction

This was a hearing with respect to the landlord's application to retain the tenant's security deposit. The hearing was conducted by conference call. The landlord's representative and the tenant called in and participated in the hearing.

### Issue(s) to be Decided

Is the landlord entitled to an order directing that it retain the tenant's security deposit?

### Background and Evidence

The tenant paid a \$315.00 security deposit on June 28, 2011 before the commencement of the tenancy. On April 10, 2013 the tenant gave notice in writing that he intended to move out of the rental unit on April 30, 2013. He signed a form authorizing the landlord to keep his security deposit as compensation for his failure to give the proper 30 days notice ending his tenancy. At the hearing the tenant said that despite having signed the form, he felt that his deposit should be returned to him because he introduced friends of his to the landlord who were willing to rent the unit from the landlord, but the landlord declined to rent to them.

The landlord's representative testified that the rental unit was not re-rented until July. She said that the persons introduced by the tenant had to go through an application process and satisfy a credit check before the landlord would agree to rent to them and they were not approved for valid reasons. She testified that the tenant agreed in writing to sign over his security deposit and the landlord brought this application to retain the deposit only after the tenant made a request to have it returned to him

### Analysis

Section 38 (4) of the *Residential Tenancy Act* provides that a landlord may retain an amount from a security deposit if, at the end of the tenancy the tenant agrees in writing that the landlord may retain the amount to pay a liability or obligation of the tenant.

The tenant did agree in writing that the landlord could retain the deposit amount. The potential liability of the tenant is greater than the amount of the deposit, but the landlord has limited its claim to the amount of the deposit. The landlord has not requested the recovery of the filing fee for this application.

### Conclusion

The landlord's application is granted. I find that the landlord is entitled to retain the full amount of the tenant's \$325.00 security deposit in satisfaction of claims resulting from the tenant's failure to provide proper notice as required by the *Residential Tenancy Act* and the tenancy agreement and I order that the landlord retain the said sum in full and final satisfaction of those claims.

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: July 24, 2013

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Residential Tenancy Branch

