

Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

DECISION

<u>Dispute Codes</u> MNR

Introduction

This is an application for a monetary Order in the amount of \$2200.00

A substantial amount of documentary evidence and written arguments has been submitted by the parties prior to the hearing. I have thoroughly reviewed all submissions.

I also gave the parties the opportunity to give their evidence orally and the parties were given the opportunity to ask questions of the other parties.

All testimony was taken under affirmation.

Issue(s) to be Decided

Is the landlord entitled to a Monetary Order for \$2200.00 for lost rental revenue for the month of February 2014?

Background and Evidence

The applicant testified that:

- This tenancy began on July 1, 2013 for a fixed term expiring June 30, 2014 and with a monthly rent of \$2200.00.
- In December of 2013 the tenant informed me that she was going to break the lease and vacate the rental unit at the end of the month.
- The tenant was informed that she, the landlord, would attempt to re-rent the unit but if she was unable to do so the tenant would still be liable for the lost rental revenue for the term of the lease.

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- The tenant stated that she understood, however she still planned to vacate, and subsequently the tenant vacated the rental unit on December 31, 2013.
- I attempted to find new tenants for soon as possible, however I was unable to rerent the unit until March 1, 2014.
- The tenant paid her January 2014 rent, and had agreed to pay the February 2014 rent; however when she went to cash the cheque she found the tenant had put a stop payment on the cheque.
- She had already returned the tenant's security/pet deposits as there had been no damage to the rental unit and the tenant had assured her she would be paying the rent until it was re-rented.
- Since the unit was not rented in the month of February 2014, she has lost the full rental revenue of \$2200.00, and is therefore requesting an Order for that lost rental revenue.

The respondent testified that:

- She had agreed to pay the outstanding rent until the unit was re-rented, however
 when she spoke to the Residential Tenancy Branch they informed her that once
 she had return the keys and received her security/pet deposit back she was no
 longer responsible for any further rent.
- She did however pay the January 2014 rent as she had not given the proper onemonth Notice to End Tenancy.
- She does not however believe that she is liable for any further rent.
- Further she had attempted to find a new renter for the unit and had found someone willing to pay less than the \$2200.00, however the landlord was not willing to accept less than \$2200.00; although later the landlord stated that she had found someone who may be willing to pay \$1800.00 per month.

In response to the tenant's testimony the landlord testified that:

- she returned the tenants full security/pet deposit as there was no damage to the rental unit however she informed the tenant, in writing, that she would still be liable for lost rental revenue if the unit did not re-rent. The tenant agreed to pay the rent until the unit was re-rented.
- It was only because of the tenant agreement to pay the rent, that she felt comfortable returning the full security/pet deposit.

Analysis

It is my finding that the respondent is liable for the lost rental revenue for the month of February 2014.

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The tenant signed a fixed term tenancy agreement with an expiry date of June 30, 2014 and she is bound by that agreement. It was the tenants choice to end the tenancy prior to the end of the lease however if the landlord is unable to re-rent the unit the tenant is liable for lost rental revenue until the unit is re-rented.

The tenant has argued that the landlord would not accept a lower amount of rent for the rental unit, however this unit was rented at \$2200.00 and the landlord does not have to lower the rent.

Further, the tenants argument that she no longer had to pay any rent once she had return the keys and received her security/pet deposit back is incorrect. If the landlord is willing to return the security/pet deposit there is nothing stopping her from doing so, however in doing so it does not release the tenant from her obligations to pay any lost rental revenue the results from the tenant breaking the lease.

Therefore pursuant to Section 67 of the Residential Tenancy Act, I allow the landlords full claim for the outstanding rent for the month of February 2014.

Conclusion

I have issued an Order for the respondent to pay \$2200.00 to the applicant.

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: May 22, 2014

Residential Tenancy Branch