



# Dispute Resolution Services

Page: 1

Residential Tenancy Branch  
Office of Housing and Construction Standards

A matter regarding 0867260 B.C. Ltd.  
and [tenant name suppressed to protect privacy]

## **DECISION**

Dispute Codes      MNDC, MNSD

### Introduction

This was a hearing with respect to applications by the tenants and by the landlord. The hearing was conducted by conference call. The tenants and the landlord's representatives called in and participated in the hearing. The tenant's application was originally set for hearing on April 15, 2014, but it was adjourned to be heard together with the landlord's application on July 31, 2014.

### Issue(s) to be Decided

Are the tenants entitled to a monetary award for the return of their security deposit?

Is the landlord entitled to a monetary award and an order to retain all or part of the security deposit?

### Background and Evidence

The rental unit is a house in North Vancouver. I was not provided with a copy of the tenancy agreement. The monthly rent was \$3,100.00 and the tenants paid a security deposit of \$1,550.00 at the start of the tenancy in October, 2012. The tenancy was for a one year fixed term, but the tenant testified that in June, 2013 the landlord's agent told him that the landlord needed to sell the house and suggested that the tenants start looking for a new place to live. She also said that the landlord would not hold the tenants to the fixed term tenancy.

The tenants moved out on November 2, 2013. After the tenants moved out there were discussion between the parties with respect to damage to the rental unit and necessary cleaning and painting. In December the tenant wrote to the landlord. He said:

I am accepting the following charges:

|          |   |
|----------|---|
| \$165.00 | carpet cleaning                                 |
| \$160.00 | floor buffing                                   |
| \$0.00   | house cleaning (I paid them)                    |
| \$200.00 | painting  |
| =====    |   |
| \$525.00 | TOTAL (Five Hundred and Twenty Five) plus taxes |
| =====    |   |

Please send the remaining amount of my \$1,550.00 security deposit, plus the interest, with the receipts of expenses to my address sent to you by email on November 18, 2013.

There were further exchanges of messages and in a December 12<sup>th</sup> e-mail the tenant confirmed that he accepted a proposal from the landlord and agreed that the landlord could deduct \$791.25 from his security deposit and return the balance plus interest as soon as possible.

The tenant filed his application for dispute resolution on December 31, 2013. He received a cheque from the landlord in the amount of \$758.75 on January 7, 2014. The cheque was dated December 20, 2013. The landlord said that it was prepared on that day and mailed soon after; it may have been held up in the mail system due to the holiday season.

On April 8, 2014 the landlord filed an application for dispute resolution claiming payment of the sum of \$3,100.00 for damage to the rental property and for compensation. The landlord's application was set for hearing on July 31, 2014.

I was advised by the parties that before the hearing on April 15, 2014 it was proposed that each party should withdraw their claim and the matter should be considered as resolved. The tenant was unwilling to agree because he maintained that interest should be paid by the landlord on the amount of his security deposit. At the April 15<sup>th</sup> hearing he requested that his application be adjourned to be heard with the landlord's application.

### Analysis

I find that the parties made a binding settlement agreement when the tenant agreed to allow the landlord to retain the sum of \$791.25 from his security deposit. Although the tenant insisted on the payment of interest on the amount of his deposit, whether or not interest is payable and if so at what rate of interest, is a matter governed by the

*Residential Tenancy Act* and Regulation. In fact no interest did accrue on the tenant's security deposit over the period that it was held by the landlord.

The tenant has received the balance of his security deposit sent within 15 days after the landlord received the tenant's agreement in writing to the deduction. The tenant's application for a monetary award, including double the amount of his security deposit is therefore dismissed without leave to reapply.

The landlord has not provided evidence to substantiate his claims on a balance of probabilities. He accepted the end of tenancy and the landlord's claim for a monetary award is also dismissed without leave to reapply.

### Conclusion

The applications of the tenants and the landlord are dismissed without leave to reapply.

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: August 5, 2014

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Residential Tenancy Branch

