



# Dispute Resolution Services

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Residential Tenancy Branch  
Office of Housing and Construction Standards

## **DECISION**

### Dispute Codes:

MNDC, FF

### Introduction

This hearing was convened in response to the Landlord's Application for Dispute Resolution, in which the Landlord has applied for a monetary Order for money owed or compensation for damage or loss and to recover fee for filing this Application for Dispute Resolution.

The Landlord stated that on June 11, 2014 the Application for Dispute Resolution, the Notice of Hearing, and documents the Landlord wishes to rely upon as evidence were personally served to each Respondent. In the absence of evidence to the contrary, I find that these documents have been served in accordance with section 88 and 89 of the *Residential Tenancy Act (Act)*, and they were accepted as evidence for these proceedings.

### Issue(s) to be Decided

Is the Landlord entitled to compensation for expenses incurred as a result of a premature end to a fixed term tenancy agreement?

### Background and Evidence

The Landlord submitted a copy of a tenancy agreement between the Landlord and a third party not named as a Respondent, whom I will refer to as the Tenant. The agreement appears to be signed by the Landlord, the Tenant, and the female Respondent.

The agreement indicates that the Landlord and the Tenant entered into a fixed term tenancy that was scheduled to begin on December 29, 2013 and to end on June 29, 2014, after which it was to continue on a month-to-month basis. The agreement indicates that the Tenant will pay monthly rent of \$1,200.00 by the first day of each month.

The Landlord stated that the Respondents are the Tenant's parents who agreed to pay rent on her behalf. The female Respondent has signed the fixed term tenancy agreement to indicate that she agrees to the terms of the agreement.

The Landlord stated that the Tenant lived in the rental unit prior to entering into the aforementioned fixed term tenancy agreement, at which time they entered into a separate written tenancy agreement. He stated that when the initial tenancy agreement was signed the female Respondent signed a "Co-signer Agreement", which was an addendum to the original tenancy agreement.

In the Co-signer Agreement the female Respondent agreed that she "may be required to pay for rent, cleaning charges, damages, or damage assessments as such amounts as are incurred by the Tenant under the terms of this Agreement if and only if the Tenant fails to pay".

The Landlord submitted an email sent to the Tenant on December 17, 2013, in which he writes "You will see in 'Additional Terms' that an addendum is checked off. It's the original Co-signer agreement your mom signed (attached here) which stays in effect for the entire tenancy term, so no need to sign it again".

The Landlord stated that on April 01, 2014 the Tenant informed him, via email, that she wished to end the tenancy; that the rent was paid for May of 2014; and that the keys were returned on May 07, 2014. The Landlord is seeking compensation for lost revenue for June of 2014, as the tenancy was ended prior to end of the fixed term.

The Landlord stated that the rental unit was advertised on two popular websites on May 14, 2014 and that the unit was advertised for sale on May 07, 2014. The Landlord submitted a contract of purchase and sale which indicates that on May 27, 2014 the Landlord received an offer to purchase the property, with a completion date of June 27, 2014.

The Landlord stated that he did not advertise the rental unit on May 07, 2014 because he had to shampoo the carpets and he does not reside in the lower mainland. He stated that he was able to advertise the rental unit for sale on May 07, 2014.

### Analysis

On the basis of the undisputed evidence, I find that the Tenant entered into a tenancy agreement with the Landlord that required her to pay monthly rent of \$1,200.00 by the first day of each month. I find that the fixed term of this tenancy agreement began on December 29, 2013 and was to end on June 29, 2014.

I find that the female Respondent signed the tenancy agreement, which indicates that she also agreed to the terms of this tenancy agreement.

On the basis of the undisputed evidence I find that when the Tenant first moved into the rental unit the female Respondent agreed to pay rent on behalf of the Tenant if the rent is not paid. As the male Respondent did not sign the Co-signer Agreement or the current tenancy agreement, I cannot conclude that he has agreed to pay rent on behalf of the Tenant.

On the basis of the undisputed evidence I find this tenancy ended on May 07, 2014, pursuant to section 44(1)(d) of the *Act*, when the rental unit was vacated and the keys were returned to the Landlord. I find that the Tenant did not comply with section 45(2) of the *Act* when she ended this fixed term tenancy on a date that was earlier than the end date specified in the tenancy agreement.

Section 7(2) of the *Act* stipulates, in part, that a landlord who claims compensation for damage or loss that results from a tenant's non-compliance with the *Act*, the regulations, or their tenancy agreement, must do whatever is reasonable to minimize the damage or loss. In these circumstances, I find that the Landlord did not take reasonable steps to minimize the loss of revenue the Landlord experienced for June of 2014.

In reaching this conclusion I was heavily influenced by the testimony of the Landlord, who stated that he did not advertise the rental unit until May 14, 2014. Had the rental unit been advertised when he obtained legal possession of the rental unit on May 07, 2014, I find it entirely possible that the Landlord may have been able to locate a new tenant for June 01, 2014.

As the Landlord did not make a reasonable effort to find new tenants for June 01, 2014, I dismiss the Landlord's application for lost revenue for June of 2014.

### Conclusion

The Landlord's application has been dismissed in its entirety.

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: October 14, 2014

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Residential Tenancy Branch

