



Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

DECISION

Dispute Codes: MNSD

Introduction

This hearing was scheduled in response to an application by the tenants for a monetary order reflecting the double return of the security deposit. Both parties attended and gave affirmed testimony.

Issue(s) to be Decided

Whether the tenants are entitled to the above under the Act, Regulation or tenancy agreement.

Background and Evidence

Pursuant to a written tenancy agreement the tenancy began October 15, 2011. Monthly rent of \$1,700.00 is due and payable in advance on the first day of each month, and a security deposit of \$850.00 was collected. A move-in condition inspection report was not completed.

By letter dated June 27, 2014, the tenants gave notice to end tenancy effective July 31, 2014. In this letter the tenants also informed the landlord of their forwarding address for the purpose of repaying the security deposit. A move-out condition inspection report was not completed.

The landlord calculated that 2% interest had accrued on the security deposit between the time when it was collected on October 15, 2011, and the date when tenancy ended on July 31, 2014, leading to an amount in favour of the tenants of **\$897.33**. The landlord withheld \$150.00 from that amount for miscellaneous labour, in addition to \$24.50 for dump fees [**total: \$174.50**]. The landlord then issued a cheque in favour of the tenants for the balance of **\$722.83** [\$897.33 - \$174.50]. The tenants object to the landlord's unauthorized withholding of funds from their security deposit and seek compensation pursuant to the legislation. Contact between the parties prior to the date of hearing did not lead to a mutually agreeable resolution of the dispute.

Analysis

Section 38 of the Act addresses **Return of security deposit and pet damage deposit**. In part, this section provides that within 15 days after the later of the date the tenancy ends, and the date the landlord receives the tenant's forwarding address in writing, the landlord must either repay the security / pet damage deposit(s), or file an application for dispute resolution. If the landlord does neither, section 38(6) of the Act provides that the landlord may not make a claim against the security / pet damage deposit(s) and must pay the tenant double the amount of the security / pet damage deposit(s).

In this case, I find that the landlord neither repaid the full amount of the security deposit nor filed an application for dispute resolution within 15 days after the end of tenancy on July 31, 2014. In the result, I find that the tenants have established a net entitlement to compensation totalling **\$977.17**, which is calculated as follows:

\$1,700.00: (2 x \$850.00) *double the amount of original security deposit*
MINUS
\$722.83: *the amount of security deposit already repaid*

The legislation makes no provision for interest to accrue on the security deposit between the time when it was collected on October 15, 2011 and when tenancy ended on July 31, 2014, or the date of this decision.

Conclusion

Pursuant to section 67 of the Act, I hereby issue a **monetary order** in favour of the tenants in the amount of **\$977.17**. Should it be necessary, this order may be served on the landlord, filed in the Small Claims Court and enforced as an order of that Court.

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 17, 2015

Residential Tenancy Branch

