

Dispute Resolution Services

Residential Tenancy Branch Office of Housing and Construction Standards

A matter regarding MAINSTREET EQUITY CORP and [tenant name suppressed to protect privacy]

DECISION

Dispute Codes mnd, mndc, mnsd, ff

Introduction:

The landlord requests a monetary award for compensation related to the premature ending of a fixed term tenancy agreement. The landlord also seeks an order to retain the tenants' security deposit in partial satisfaction of the monetary award.

The tenant did not attend the hearing. I accept that the tenants were properly served with notice of this hearing, by way of registered mail.

Issues to be decided:

Is the landlord entitled to such compensation from the tenants?

Background and Evidence:

The parties entered into a one year, fixed term tenancy agreement for the subject premises, to begin December 1, 2014 and end November 30, 2015. Monthly rent was \$750.00, but was discounted by \$62.00 per month \$688.00, which discount was refundable by the tenants if they did remained there for the entire fixed term. A security deposit of \$375.00 was paid. The tenancy agreement included a liquidated damages clause to the effect that if the tenants prematurely ended the tenancy, they would pay the landlord the sum of \$350.00.

On January 5, 2015, the landlord discovered the premises had been vacated by the tenants. The keys were recovered on January 10. The tenants left behind significant garbage (including furniture) that the landlord had to remove at a cost of \$25.00. The landlord advertised for new tenants, but lost rental income of \$750.00 for the month of January.

Analysis:

I find the tenants vacated prematurely (given that their tenancy was to continue until November) and that they must be held liable for the landlord's lost rental income for January of \$750.00. I also find that the tenants failed to remove all of their garbage, and that the landlord incurred an expense of \$25.00 to remove the garbage, for which the tenants are liable.

The discount for December's rent was conditional upon the tenants remaining for the entire fixed term, and as they left prematurely, they must refund the \$62.00 to the

landlord. The liquidated damages clause in the agreement is an enforceable provision, confirming that the tenants are also found liable for the landlord's administrative costs of securing new tenants, per-estimated to be \$350.00.

The landlord is therefore awarded \$1,187.00. As the landlord is successful with this claim, I also award the recovery of the \$50.00 filing fee from the tenants.

The landlords have applied for an order to retain the \$375.00 security deposit. As this sum is less than the award made, retention is appropriate.

Conclusion:

I order pursuant to section 38(1) that the \$375.00 security deposit be retained by the landlords, in partial satisfaction of the monetary award noted above.

I further order that the remaining balance of the award due to the landlords, equalling \$862.00, be paid immediately by the tenants to the landlords.

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: September 10, 2015

Residential Tenancy Branch