



Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

DECISION

Dispute Codes MND (Landlords' Application)
 MNSD, FF (Tenant's Application)

Introduction

This hearing was convened by way of a conference call in response to an Application for Dispute Resolution (the "Application") made by the Tenant on June 28, 2016 and by the Landlords on July 21, 2016. The Tenant applied for double the return of his security deposit and to recover the filing fee from the Landlords. The Landlords applied for a Monetary Order for damage to the rental unit.

Both parties appeared for the hearing and provided affirmed testimony as well as evidence prior to the hearing. The parties confirmed receipt of each other's Application and evidence by registered mail prior to the hearing.

The parties agreed that the Tenant had provided the Landlords with a security deposit at the start of the tenancy in the amount of \$1,250.00 which the Landlords still retained. The Landlords also confirmed that they had not completed a condition inspection report of the rental unit at the start and at the end of the tenancy in accordance with the *Residential Tenancy Act* (the "Act"). The Landlords explained that they had attempted to return a portion of the Tenant's security deposit to the Tenant at the end of the tenancy but the Tenant refused the electronic payment sent. The Landlords confirmed that for the remaining amount they held, the Tenant had not given them any written consent to hold onto that money.

The Landlords confirmed that they had received the Tenant's forwarding address by email on June 10, 2016 as they communicated by email in this tenancy and that the tenancy had ended on June 1, 2016. However, the Landlords did not make their Application until July 21, 2016. Therefore, the Landlords failed to make an Application to keep the Tenant's security deposit within the 15 day time limit afforded to them under Section 38(1) of the Act.

As a result, I informed both parties the provisions of Section 38(6) of the Act which explains that if a landlord fails to comply with Section 38(1) of the Act above, the tenant

is entitled to double the amount of the deposit paid. The Landlords made a number of submissions with regards to reasons why the security deposit had not been returned and stated that they were unaware of the provisions of the Act with respect to the return of the Tenant's security deposit and completion of a condition inspection report.

Section 63 of the Act enables an Arbitrator to assist the parties to settle their dispute and if the parties settle their dispute during the dispute resolution proceedings, the settlement may be recorded in the form of a decision or an order. Therefore, before I continued to hear the Landlords' Application, I offered the parties an opportunity to settle this matter through mutual agreement. The parties took the above provisions of the Act into consideration and then turned their minds to compromise, and decided that it was better to resolve this matter through mutual agreement as follows.

Settlement Agreement

The Landlords agreed to return to the Tenant the full amount of his security deposit and his filing fee for a total of **\$1,350.00** in full and final satisfaction of both parties' Applications. The agreement was confirmed with the parties at the conclusion of the hearing and both parties confirmed their understanding to move forward with this resolution in this manner.

This agreement and order is fully binding on the parties and is in full and final satisfaction of all the issues associated with this tenancy. The Tenant is issued with a Monetary Order in the amount of \$1,350.00 which is enforceable in the Small Claims Division of the Provincial court if the Landlords fail to make payment in accordance with this agreement. The Landlords are cautioned to retain documentary evidence of the payment made to the Tenant to meet the above terms of this agreement. Both files are now closed.

This Decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under Section 9.1(1) of the Act.

Dated: December 29, 2016

Residential Tenancy Branch