



# Dispute Resolution Services

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Residential Tenancy Branch  
Office of Housing and Construction Standards

A matter regarding DESERT AIRE REALTY  
and [tenant name suppressed to protect privacy]

## **DECISION**

Dispute Codes      FFL MNDL-S MNRL-S

### Introduction

This hearing was convened by way of conference call concerning an application made by an individual landlord as well as a landlord company as against the tenant, seeking a monetary order for unpaid rent or utilities, a monetary order for damage to the rental unit or property, an order permitting the landlord to keep all or part of the pet damage deposit or security deposit, and to recover the filing fee from the tenant for the cost of the application.

The individual landlord (hereafter referred to as the Landlord) attended the hearing and represented the landlord company. The Landlord was also accompanied by an observer, who did not take part in the proceeding. However, no one for the tenant named in this application joined the call.

The Landlord testified that the tenant named in this application was personally served by a document server on July 19, 2018 at the tenant's place of employment, and the landlord received a "Disclosure" from the document server to that effect. The landlords were given the opportunity to provide proof of such service after the hearing had concluded. I have now received an unsworn document entitled "Affidavit of Service" which is witnessed and signed by a process server stating that the tenant was served on that date and by that method and that the tenant admitted he was the proper party to be served. I find that the tenant has been served in accordance with the *Residential Tenancy Act*.

### Issue(s) to be Decided

- Have the landlords established a monetary claim as against the tenant for unpaid rent?

- Have the landlords established a monetary claim for damage to the rental property?
- Should the landlords be permitted to keep all or part of the security deposit in full or partial satisfaction of the claim?

### Background and Evidence

The Landlord testified that this month-to-month tenancy began on February 1, 2018 and ended on June 30, 2018. A copy of the tenancy agreement has been provided as evidence for this hearing which names an individual tenant as well as a tenant company. The landlords have an arrangement with the tenant company to rent the unit to an employee of the tenant company, and the tenant company pays the security deposit to secure the rental. When the tenant moves out, the security deposit is returned to the tenant company. In this case, the security deposit was paid by the tenant company, and the agent of the tenant company who entered into the tenancy agreement also agreed in writing at the end of the tenancy that the landlords keep the security deposit.

Rent in the amount of \$1,300.00 per month was payable on the 1<sup>st</sup> day of each month. At the outset of the tenancy the landlords collected a security deposit from the tenant company in the amount of \$650.00 which is still held by the landlords, and no pet damage deposit was collected. The rental unit is a fully furnished townhouse.

The landlords had served the tenant individual (hereafter referred to as “the Tenant”) with a One Month Notice to End Tenancy for Cause on May 22, 2018, effective June 30, 2018, and the Tenant moved out in accordance with that notice but failed to pay any rent for June, and the landlords claim unpaid rent in the amount of \$1,300.00.

A move-in condition inspection report was completed by the parties. The girlfriend of the Tenant attended for the move-out condition inspection on behalf of the Tenant, along with an agent for the tenant company and the Landlord. The Tenant’s girlfriend advised that she was told by the Tenant to not sign anything. The agent for the tenant company signed the move-out condition inspection report agreeing that the landlords could keep the entire security deposit. A copy of the move-in and move-out condition inspection report has been provided as evidence for this hearing.

The Landlord also testified that the tenant company had agreed that the carpets be cleaned by the landlords’ service provider prior to the move-out condition inspection, so that the rental unit would be ready to re-rent, and that the amount be deducted from the security deposit. Therefore, the move-out portion of the report shows that the carpets

had been cleaned. The landlords have provided a receipt in the amount of \$199.50 and claim that amount from the Tenant.

The rental unit contained a leather hide-a-bed as well as 4 leather chairs which were damaged by the Tenant's cat. The landlords have provided receipts that were not readable but the Landlord testified that the receipt for the hide-a-bed is dated December 30, 2007 in the amount of \$1,588.94 and the one for the chairs is dated December 31, 2007 in the amount of \$674.16. The landlords claim those amounts from the Tenant.

A bench, which was not part of the inventory list at move-in, was under boxes and in storage in the garage. The Tenant found it and put it in the living room. When the Landlord inspected at move-in, no damage was noticed. However it was not part of the furniture package so was not noted on the move-in condition inspection report. The landlords have provided a quote of \$389.95 dated July 5, 2018, but the Landlord is not certain how old it was.

To summarize, the landlords claim \$1,300.00 for unpaid rent for June, 2018 and damages totalling \$3,696.40 as well as recovery of the \$100.00 filing fee, and an order permitting the landlords to keep the security deposit.

### Analysis

Firstly, I accept the undisputed testimony of the Landlord that the Tenant failed to pay any rent for the last month of the tenancy, and I am satisfied that the landlords have established a claim in the amount of \$1,300.00.

I also accept the undisputed testimony of the Landlord that the carpets required cleaning and the tenant company agreed that the landlords have that service completed and recover the costs from the security deposit. I also accept that the service was completed prior to the move-out condition inspection and therefore the report shows that the carpets had been cleaned at move-out.

With respect to the damaged furniture, I refer to Residential Tenancy Policy Guideline #40 – Useful Life of Building Elements, which puts the useful life of household furniture at 10 years. Given that the receipts show that all of the furniture was purchased in 2007, which is beyond 10 years from the beginning of the tenancy, the landlords are not entitled to recovery at the Tenant's expense, and I dismiss the landlords' application with respect to the hide-a-bed and chairs.

The Landlord testified that the bench was not inspected, and therefore I am not satisfied that its useful life had not expired or that it was damaged by the Tenant, and I dismiss the landlords' application with respect to the bench.

Since the landlords have been partially successful with the application the landlords are also entitled to recovery of the \$100.00 filing fee. I hereby order the landlords to keep the \$650.00 security deposit in partial satisfaction of the claim, and I grant a monetary order in favour of the landlords as against the Tenant for the difference in the amount of \$949.50 ( $\$1,300.00 + \$199.50 + \$100.00 = \$1,599.50 - \$650.00 = \$949.50$ ).

### Conclusion

For the reasons set out above, I hereby order the landlord to keep the \$650.00 security deposit and I grant a monetary order in favour of the landlords as against the Tenant pursuant to Section 67 of the *Residential Tenancy Act* in the amount of \$949.50.

This order is final and binding and may be enforced.

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 31, 2018

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Residential Tenancy Branch