



Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

DECISION

Dispute Codes MNDC, MNSD, FFL

Introduction

On September 4, 2018, the Landlord submitted an Application for Dispute Resolution under the *Residential Tenancy Act* (“the Act”) for a monetary order for money owed or compensation for damage or loss; to keep the security deposit; and to recover the cost of the filing fee.

The Landlords attended the teleconference hearing; however, the Tenant did not. The Landlords provided affirmed testimony that the Tenant was served the Notice of Dispute Resolution Proceeding by registered mail on September 8, 2018. The Landlords testified that they sent the registered mail to the address the Tenant gave them at the end of the tenancy. The Landlords provided the registered mail tracking information as proof of service.

I find that the Tenant has been duly served with the Notice of Dispute Resolution Proceeding in accordance with sections 89 and 90 of the *Act*. The Tenant failed to appear to respond to the Landlords claims.

At the start of the hearing I introduced myself. The Landlords provided affirmed testimony and were provided the opportunity to present their evidence orally and in written and documentary form, and to make submissions at the hearing.

I have reviewed all oral and written evidence before me that met the requirements of the rules of procedure. However, only the evidence relevant to the issues and findings in this matter are described in this Decision.

Background and Evidence

The Landlords testified that the tenancy began in February 2014 on a month to month basis. Rent in the amount of \$1,550.00 was to be paid by the first day of each month. The Landlord collected a \$750.00 security deposit.

The Landlords testified that when the Tenant moved out on July 31, 2018.

The Landlords testified that the tenant is responsible for a fire in the rental unit. The Landlords testified that on the evening of July 25, 2018 there was a fire in the bathroom of the rental unit. The Landlord testified that the Tenant did not report the fire until the following day.

The Landlord testified that the fire caused extensive damage to the unit and the cost of repair was estimated at \$20,000.00. The Landlords testified that the repair costs were claimed against their insurance. The Landlords are requesting compensation for the following items:

Insurance Deductible	\$500.00
Loss of insurance discount	\$1,691.00
Junk Removal	\$104.00

Insurance Deductible

The Landlords testified that they paid a \$500.00 insurance deductible for the repairs of the rental unit. The Landlords provided documentary evidence that they paid the \$500.00 deductible.

Loss of Insurance Discount

The Landlord testified that their insurance will increase by 15% for the next 5 years. The Landlords have estimated their loss for this period. The Landlords testified that they do not know the exact amount because the insurance company could not provide that information. The Landlords testified that they were paying \$2,200.00 per year.

Junk Removal \$104.00

The Landlord testified that the Tenant did not clean the rental unit at the end of the tenancy and left junk behind on the property. The Landlord testified that an umbrella stand; garbage bin; luggage; and other items were abandoned.

The Landlord testified that they received a quote for the removal and disposal of the items. The Landlord has not had the items disposed of, but they testified that they intend to have someone remove the items. The Landlord provided a quote they received for the removal of the items.

Security Deposit

The Landlord applied for dispute resolution and claimed against the security deposit on September 4, 2018. The Landlord testified that she applied for the security deposit within 15 days of receiving the Tenant's forwarding address.

The Landlord is requesting to keep the deposit of \$750.00 in full or partial satisfaction of their claims.

Analysis

The party making a claim for compensation against another party bears the burden of proof. Section 7 of the Act provides that if a Landlord or Tenant does not comply with the Act, the regulations, or their tenancy agreement, the non-complying Landlord or Tenant must compensate the other for damage or loss that results.

To be successful with a claim for compensation an applicant must prove:

1. That the other party breached the Act, regulation or tenancy agreement.
2. That the breach caused the party making the application to incur damages or loss as a result of the breach.
3. The value of the loss; and,
4. That the party making the claim took reasonable steps to minimize the damage or loss.

The Residential Tenancy Policy Guideline # 16 Claims in Damages states:

An arbitrator may award monetary compensation only as permitted by the Act or the common law. In situations where there has been damage or loss with

respect to property, money or services, the value of the damage or loss is established by the evidence provided.

A party seeking compensation should present compelling evidence of the value of the damage or loss in question.

The Residential Tenancy Policy Guideline #1 Landlord & Tenant – Responsibility for Residential Premises states:

a tenant is generally required to pay for repairs where damages are caused, either deliberately or as a result of neglect, by the tenant or his or her guest.

Based on the Landlords evidence and testimony, and on a balance of probabilities, I find as follows:

I find that the Tenant was served with the Notice of Dispute Resolution Proceeding and failed to appear to respond to the Landlords' claims. The Landlords monetary claims are unopposed.

Insurance Deductible

I find that the Tenant is responsible for damage to the rental unit due to a fire. I find that the Tenant is responsible for the costs to repair the rental unit. I find that the Tenant is responsible to pay the Landlords the \$500.00 deductible that they paid for the rental unit to be repaired.

I award the Landlord the amount of \$500.00.

Loss of Insurance Discount

I find that the Landlords have suffered a monetary loss due to their decision to apply their insurance coverage towards the cost of repairs. I accept that the Landlords insurance costs will increase by 15%. I find it reasonable to award the Landlord compensation for a one year increase. The Landlords testified that they have new tenants. I find it would be premature to award compensation for premiums that have not been paid. It is unknown whether the Landlords will continue to own the property, or chose to rent out the unit for the next five years, or change policies. The Landlords claim for compensation for a future loss is premature.

I award the Landlord a 15% increase on the amount of \$2,200.00. I grant the Landlord the amount of \$330.00 for their loss.

Junk Removal

I find that the Tenant is responsible for leaving junk behind on the rental property. I find that the Landlords claim for \$104.00 is reasonable for the cost to remove and dispose of the Tenant's junk.

Security Deposit

I authorize the Landlord to keep the security deposit of \$750.00 in partial satisfaction of the Landlords claims.

Filing Fee

Section 72 of the Act gives me authority to order the repayment of a fee for an application for dispute resolution. I order the Tenant to repay the \$100.00 fee that the Landlords paid to make application for dispute resolution.

Monetary Award

The Landlord has established a monetary claim in the amount of \$1,034.00. After setting off the security deposit of \$750.00 towards the award of \$1,034.00 I find that the Tenant owes the Landlords the balance of \$284.00.

I grant the Landlords a monetary order in the amount of \$284.00. The monetary order must be served on the Tenants and may be enforced in the Provincial Court.

Conclusion

The Tenant is responsible for the costs to repair damage to the unit caused by a fire. The Tenant failed to attend the hearing.

The Landlord established the claim for compensation in the amount of \$1,034.00. After setting off the security deposit of \$750.00 towards the award of \$1,034.00 I find that the Tenant owes the Landlords the balance of \$284.00.

I grant the Landlords a monetary order in the amount of \$284.00.

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: January 08, 2019

Residential Tenancy Branch