



# Dispute Resolution Services

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Residential Tenancy Branch  
Office of Housing and Construction Standards

## **DECISION**

Dispute Codes      MNRL-S

### Introduction

This hearing dealt with the landlords' application pursuant to the *Residential Tenancy Act* (the "**Act**") for:

- authorization to retain all or a portion of the tenant's security deposit in partial satisfaction of the monetary order requested pursuant to section 38; and
- a monetary order for unpaid rent in the amount of \$600 pursuant to section 67.

The tenants did not attend this hearing, although I left the teleconference hearing connection open until 1:40 pm to enable the tenants to call into this teleconference hearing scheduled for 1:30 pm. The landlords attended the hearing and was given a full opportunity to be heard, to present affirmed testimony, to make submissions and to call witnesses. I confirmed that the correct call-in numbers and participant codes had been provided in the Notice of Hearing. I also confirmed from the teleconference system that the landlords and I were the only ones who had called into this teleconference.

The landlords testified that the tenants were personally served the notice of dispute resolution package on June 23 or 24, 2019. I find that the tenants are deemed served with this package on June 24, 2019, in accordance with section 89 of the Act.

### **Issue(s) to be Decided**

Are the landlords entitled to:

- 1) a monetary order of \$600 for unpaid rent; and
- 2) retain the security deposit in full satisfaction of this amount?

### **Background and Evidence**

While I have considered the documentary evidence and the testimony of the landlords, not all details of their submissions and arguments are reproduced here. The relevant and important aspects of the landlords' claim and my findings are set out below.

The parties entered into a tenancy agreement in September 2017. Monthly rent was \$1,200. The tenants paid the landlords a security deposit of \$600. The landlords still retain this deposit.

The landlords testified that with their consent, at some point during the tenancy, the tenants took on a roommate to defray the cost of the monthly rent. They testified that this roommate moved out of the rental unit in April 2019. The landlords testified that the tenants then only paid \$600 in rent in May 2019.

On May 31, 2019, the parties attended a dispute resolution hearing before a different arbitrator of this branch relating to the tenants' application to cancel a One Month Notice to End Tenancy and have the landlords comply with the Act. The parties reached a settlement whereby the tenants agreed to vacate the rental unit on June 30, 2019 and agreed to pay \$900 for rent in June (the "**Settlement Agreement**").

Following the May 31, 2019 application, the landlords filed the present application for dispute resolution to collect the May 2019 rental arrears.

The tenants vacated the rental unit on June 30, 2019.

### **Analysis**

I accept the landlords' undisputed testimony in its entirety. I find that the parties entered into a tenancy agreement in September 2017. I find that the tenancy agreement required the tenants to pay the landlords monthly rent of \$1,200. I find that the tenants only paid \$600 of monthly rent in May 2019.

I find that the Settlement Agreement does not act to retroactively reduce the amount of rent the tenants were obligated to pay the landlords for May 2019.

Section 26 of the Act requires that a tenant pay rent when it is due under a tenancy agreement. By not paying the full amount of monthly rent in May 2019, the tenants breached this section of the Act and the tenancy agreement.

The fact that the tenants' roommate moved out of the rental unit does not relieve the tenants of their obligation to pay the full amount of rent due under the tenancy agreement.

Accordingly, pursuant to sections 7 of the Act, I find that the landlords are entitled to compensation from the tenants for damages suffered as the result of their breach in the amount of \$600.

Pursuant to section 72(2) of the Act, I order that the landlords may retain the security deposit of \$600 in full satisfaction of the amount owed by the tenants.

### **Conclusion**

Pursuant to section 72 of the Act, the landlords may retain the entire security deposit (\$600) in full satisfaction of the May 2019 rental arrears owed to them by the tenants.

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 24, 2019

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Residential Tenancy Branch