



# Dispute Resolution Services

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Residential Tenancy Branch  
Office of Housing and Construction Standards

## DECISION

Dispute Codes      **MNSDB-DR, FFT**

### Introduction

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

- authorization to obtain a return of the security deposit pursuant to section 38; and
- authorization to recover the filing fee from the landlord.

Both parties attended the hearing and were given a full opportunity to be heard, to present sworn testimony, to make submissions and to call witnesses.

As both parties were present service was confirmed. The parties each testified that they were in receipt of the materials. Based on the testimonies I find each party was served with the respective materials in accordance with sections 88 and 89 of the *Act*.

### Issue(s) to be Decided

Is the tenant entitled to a monetary award equivalent to double the value of their security deposit as a result of the landlord's failure to comply with the provisions of section 38 of the *Act*?

Is the tenant entitled to recover the filing fee for this application from the landlord?

### Background and Evidence

The parties agreed on the following facts. This periodic tenancy began in July 2015 and ended February 29, 2020. The tenant paid a security deposit of \$1,250.00 and pet damage deposit of \$1,250.00. No condition inspection report was prepared at any time for this tenancy.

The tenant provided a forwarding address in writing in a letter dated January 31, 2020 when giving notice to end the tenancy. The tenant did not provide written authorization that the landlord may retain any portion of the deposit. The landlords returned the amount of \$1,650.75 by a cheque dated April 21, 2020. The landlords have not returned the balance of the deposits of \$849.25. During the hearing the tenant testified that they consent to a deduction of \$407.33 from the deposits.

The landlord submits that the rental unit was left in poor condition with some appliances and fixtures requiring repairs and replacement. The landlord says they incurred costs to clean and restore the rental unit and has withheld the deposits for the tenancy.

### Analysis

Section 38 of the *Act* requires the landlord to either return the tenant's security deposit in full or file for dispute resolution for authorization to retain the deposit 15 days after the later of the end of a tenancy or upon receipt of the tenant's forwarding address in writing. If that does not occur, the landlord must pay a monetary award, pursuant to section 38(6)(b) of the *Act*, equivalent to double the value of the security deposit. However, this provision does not apply if the landlord has obtained the tenant's written permission to keep all or a portion of the security deposit as per section 38(4)(a).

I accept the evidence of the parties that this tenancy ended on February 29, 2020 and the tenant gave the landlords the forwarding address in writing prior to that date. The landlords did not return the security deposit to the tenant nor did they file an application for dispute resolution for authorization to retain the deposit within 15 days of February 29, 2020 as provided under the *Act*.

The landlord eventually returned the amount of \$1,650.75 and retained the amount of \$849.25. I accept the evidence of the parties that the tenant did not provide written authorization that the landlord may retain any amount of the deposits for this tenancy. I allow that the tenant did authorize at the hearing that the landlord may retain \$407.33 of the deposit paid for this tenancy.

The landlord submits that they incurred costs for work done to the rental unit but I find this to be irrelevant. The landlord has not filed an application for authorization to recover any cost of repairs from the security deposit. The undisputed evidence of the parties is that the tenant has authorized the deduction of \$407.33 but no other portion of the security or pet damage deposit.

If the landlords had concerns about the condition of the rental unit at the end of the tenancy and sought to recover their losses from the security and pet damage deposit they were required to have filed an application for dispute resolution in accordance with the *Act*. A landlord cannot simply withhold the security and pet damage deposit for a tenancy without following the appropriate legislative steps. I find that the landlords have failed to return the security and pet damage deposit for this tenancy to the tenant within the timeline provided under the *Act*.

Furthermore, the parties gave evidence that no condition inspection report was prepared at any time during the tenancy. Section 24(2) of the *Act* provides that the right of a landlord to claim against a security deposit is extinguished if they do not comply with the requirements of section 23 in offering the tenant 2 opportunities for an inspection and completing a condition inspection report.

Based on the undisputed evidence before me, I find that the landlord has neither applied for dispute resolution nor returned the tenant's security and pet damage deposit in full within the required 15 days. I accept the tenant's evidence that they have not waived their right to obtain a payment pursuant to section 38 of the *Act* as a result of the landlord's failure to abide by the provisions of that section of the *Act*. Under these circumstances and in accordance with section 38(6) of the *Act*, I find that the tenant is entitled to a monetary award in the following terms.

Item	Amount
Double Security Deposit	\$1,250 x 2= \$2,500.00
Double Pet Damage Deposit	\$1,250 x 2=\$2,500.00
Less Amount of Deposit Already Returned	-\$1,650.75
Less Agreed Upon Deduction	-\$407.33
<b>TOTAL</b>	<b>\$2,941.92</b>

No interest is payable over this period.

As the tenant was successful in their application, they are entitled to recovery of the \$100.00 filing fee.

Conclusion

I issue a Monetary Order in the tenant's favour in the amount of \$3,041.92 against the landlords. The tenant is provided with a Monetary Order in the above terms and the landlords must be served with this Order as soon as possible. Should the landlord fail to comply with this Order, this Order may be filed in the Small Claims Division of the Provincial Court and enforced as an Order of that Court.

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: August 31, 2020

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Residential Tenancy Branch