



# Dispute Resolution Services

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Residential Tenancy Branch  
Ministry of Housing and Municipal Affairs

## DECISION

Dispute Codes MNRL-S, MNDCL-S, LRSD, FFL, MNSDB-DR, FFT

### Introduction

This hearing dealt with the Landlord and Tenants' Applications for Dispute Resolution under the *Residential Tenancy Act* (the Act) for:

The Landlord applied for:

- a Monetary Order for unpaid rent under section 67 of the Act
- a Monetary Order for money owed or compensation for damage or loss under the Act, regulation or tenancy agreement under section 67 of the Act
- authorization to retain all or a portion of the Tenant's security deposit in partial satisfaction of the Monetary Order requested under section 38 of the Act
- authorization to recover the filing fee for this application from the Tenant under section 72 of the Act

The Tenants applied for:

- a Monetary Order for the return of all or a portion of their security deposit and/or pet damage deposit under sections 38 and 67 of the Act
- authorization to recover the filing fee for this application from the Landlord under section 72 of the Act

Landlord representative B.N. attended the hearing for the Landlord.

Tenants B.D. and C.D. attended the hearing for the Tenants.

### **Service of Notice of Dispute Resolution Proceeding (Proceeding Package)**

I find that Tenant B.D. was served by registered mail in accordance with section 89 of the Act. The Landlord provided a copy of the Canada Post Customer Receipt containing the tracking number to confirm this service.

While I find that the method of service to the Landlord was not in accordance with section 89 of the Act as no Address for Service Agreement existed between the parties, Landlord representative B.N. indicated that the Landlord received the notice and did not object to the method of service and was prepared to respond to the Tenants claim and therefore I find that the Landlord was sufficiently served under section 71(2)(c) of the Act. The Tenants provided a copy of the outgoing email to confirm this service.

### **Service of Evidence**

Based on the submissions before me, I find that the Landlord's evidence was served to the Tenants in accordance with section 88 of the Act. While the Tenants disputed the Landlord's claim that their full evidence had been included in the Notice of Dispute Resolution Proceeding Package, they indicated that they were prepared to proceed after the content of the Landlord's evidence was described to them at the time of the hearing.

While I find that the method of service to the Landlord was not in accordance with section 88 of the Act as no Address for Service Agreement existed between the parties, Landlord representative B.N. indicated that the Landlord received the notice and did not object to the method of service and was prepared to respond to the Tenants claim and therefore I find that the Landlord was sufficiently served under section 71(2)(c) of the Act. The Tenants provided a copy of the outgoing email to confirm this service.

### **Issues to be Decided**

Is the Landlord entitled to a Monetary Order for unpaid rent under section 67 of the Act?

Is the Landlord entitled to a Monetary Order for money owed or compensation for damage or loss under the Act, regulation or tenancy agreement under section 67 of the Act?

Is the Landlord entitled to authorization to retain all or a portion of the Tenants' security and/or pet damage deposits in partial satisfaction of the Monetary Order requested under section 38 of the Act?

Is the Landlord entitled to authorization to recover the filing fee for this application from the Tenants under section 72 of the Act?

Are the Tenants entitled to a Monetary Order for the return of all or a portion of their security and/ or pet damage deposits under sections 38 and 67 of the Act?

Are the Tenants entitled to authorization to recover the filing fee for this application from the Landlord under section 72 of the Act?

## **Background and Evidence**

I have reviewed all evidence, including the testimony of the parties, but will refer only to what I find relevant for my decision.

Evidence was provided showing that this tenancy began on April 15, 2023, with a monthly rent of \$1,500.00, due on the thirty-first day of the month, with a security deposit in the amount of \$750.00 and a pet damage deposit in the amount of \$200.00. Rent at the time the tenancy ended on July 31, 2025, was \$1,550.00.

According to the Landlord's representative B.N., the Tenants gave notice on July 28, 2025, that they were ending the tenancy effective July 31, 2025. B.N. testified that the Landlord therefore is seeking compensation for lost rental income for the period August 1 to 31, 2025 in the amount of \$1,550.00 as the Landlord was unable to secure a new tenant until September 1, 2025. A copy of the notice to end the tenancy was submitted as evidence.

B.N. testified that a move-in inspection was conducted and that the Tenants participated and were provided with a copy of the report. She testified that a move-out inspection was conducted and that the Tenants did not participate as they had already vacated the property. She further testified that a copy of the report was not provided to the Tenants and that a forwarding address was received from the Tenants on August 10, 2025.

Tenant B.D. confirmed that they contacted the Landlord by email on July 26, 2025, and informed them that they would like to move out on August 1, 2025, if possible as they had found a more suitable unit to rent. She testified and indicated in her written submissions that they asked B.N. for the earliest possible date that the Landlord would be agreeable to ending the tenancy and advised her that they would be prepared to stay an additional 15 to 30 days if necessary. She testified that B.N. attended the property on July 27, 2025, to discuss the matter and conducted a walk-through inspection with them. She testified that B.N. returned later that day and advised them that she had secured a new tenant and therefore, as long as they could be out of the unit by July 31, 2025, and the Landlord's maintenance person could access the unit in the interim, the Tenants would not be responsible for August 2025 rent. She further testified that after they vacated the property on July 30, 2025, B.N. attended the property again on July

31, 2025, and conducted another walk-through inspection on her own. Copies of email correspondence between the parties discussing the matter were submitted as evidence.

Tenant B.D. confirmed that they provided a forwarding address on August 10, 2025. A copy of an email was submitted as proof.

Landlord representative B.N. confirmed that Tenant's testimony that the Landlord had secured a tenant for August 1, 2025, and had asked them to ensure that they were out by July 31, 2025, however testified that the new tenancy fell through. She further confirmed that the Landlord had not made a claim for damages caused by the Tenants' pet.

## **Analysis**

### **Is the Landlord entitled to a Monetary Order for unpaid rent?**

Section 26 of the Act states that a tenant must pay rent to the landlord, regardless of whether the landlord complies with the Act, regulations or tenancy agreement, unless the tenant has a right to deduct all or a portion of rent under the Act.

While the Landlord indicated that it is seeking compensation for unpaid rent, I find that the Landlord is actually seeking compensation for lost rental income.

Based on the evidence before me, the testimony provided and on a balance of probabilities, I find that the Landlord has failed to establish a claim for lost rental income for the month of August 2025.

I find that while the Tenants indicated that they wished to end the tenancy with less than one month's notice, testimony and evidence provided by both parties indicates that the Landlord was in agreement on July 27, 2025, to end the tenancy on July 31, 2025, prior to the Tenants issuing their formal notice on July 28, 2025, as a new tenant had been secured for August 1, 2025, and that the Tenants were prepared to stay until August 31, 2025, if the Landlord was not agreeable to less than one month's notice. I find therefore that the Tenants are not responsible for the lost rental income that the Landlord suffered as a result of the new tenancy falling through.

Based on the above, I find that the Landlord is not entitled to a monetary award for lost rental income under section 67 of the Act and dismiss its claim without leave to reapply.

### **Is the Landlord entitled to a Monetary Order for money owed or compensation for damage or loss under the Act, regulation or tenancy agreement under section 67 of the Act?**

I find that this was a duplication of the matter claimed and adjudicated above and therefore dismiss it without leave to reapply.

**Is the Landlord entitled to retain all or a portion of the Tenant's security and/ or pet damage deposits in partial satisfaction of the monetary award requested? If not, are the Tenants entitled to the return of their security and/ or pet damage deposits?**

Section 38 of the Act states that within 15 days of either the tenancy ending or the date that the landlord receives the tenant's forwarding address in writing, whichever is later, a landlord must repay a security deposit to the tenant or make an application for dispute resolution to claim against it. As the forwarding address was provided on August 10, 2025, and the Landlord made their application on August 10, 2025, I find that the Landlord did make their application within 15 days of the tenancy ending/the forwarding address being provided.

Section 36 (2) of the Act states that, unless the tenant has abandoned the rental unit, the right of a landlord to claim against a security deposit for damage to the rental unit is extinguished if, having made an inspection with the tenant, does not complete the condition inspection report and give the tenant a copy of it in accordance with the regulations.

I find that the Landlord did conduct a move-in inspection in which the Tenants participated as required under section 23 of the Act and provided a copy of the report as required under section 18 of the Regulation. I find, however, that the Landlord has not presented evidence to prove that a move-out inspection was conducted as required under section 35 of the Act or if one was conducted that the Tenant was provided two opportunities to participate, and has testified that a copy was not provided to the Tenants as required under section 18 of the Regulation. I find, therefore, that the Landlord extinguished their right to claim against the security deposit *for damages* under section 36 of the Act, however the Landlord's right to claim against none-damage related matters was not extinguished and therefore the Landlord is not in breach of section 38(1) of the Act as it relates to the security deposit.

I further find that despite having retained their right to claim against *the security deposit* and having made application in accordance with section 38(1) of the Act to retain this deposit, the Landlord did not make a claim for damages caused by the Tenants' pet and therefore the Landlord did not have the right to retain the *pet damage deposit* and was required under section 38(1) of the Act to repay it to the Tenants 15 days after the end of the tenancy or the date the Landlord received the Tenants' forwarding address in writing. As the Landlord is in breach of section 38(1) of the Act with regards to the Tenants' pet damage deposit, the Landlord must repay the Tenants' double the original value of the pet damage deposit under section 38(6) of the Act.

Under section 67 of the Act, I order the Landlord to repay the Tenant's security deposit and double the pet damage deposit in the amount of \$1,197.53, including interest on the original deposits, in full satisfaction of the monetary award sought by the Tenants.

**Is the Landlord entitled to recover the filing fee for this application from the Tenants? If not, are the Tenants entitled to recover the filing fee for their application from the Landlord?**

As the Tenants were successful in their application, I find that the Tenants are entitled to recover the \$100.00 filing fee paid for this application under section 72 of the Act.

As the Landlord was unsuccessful in their application, the Landlord's request to recover the \$100.00 filing fee from the Tenants is dismissed without leave to reapply.

## Conclusion

I grant the Tenants a Monetary Order in the amount of **\$1,297.53** under the following terms:

Monetary Issue	Granted Amount
a monetary award for the return of the Tenants' security and pet damage deposits in full satisfaction of the Monetary Order requested under sections 38 and 67 of the Act	\$1,197.53
authorization to recover the filing fee for this application from the Landlord under section 72 of the Act	\$100.00
<b>Total Amount</b>	<b>\$1,297.53</b>

The Tenants are provided with this Order in the above terms, and the Landlord must be served with **this Order** as soon as possible. Should the Landlord fail to comply with this Order, this Order may be filed and enforced in the Provincial Court of British Columbia (Small Claims Court) if equal to or less than \$35,000.00. Monetary Orders that are more than \$35,000.00 must be filed and enforced in the Supreme Court of British Columbia.

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 30, 2025

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Residential Tenancy Branch