



Dispute Resolution Services

Page: 1

Residential Tenancy Branch
Ministry of Housing and Municipal Affairs

DECISION

Dispute Codes MNDL-S, LRSD, FFL, MNSDS-DR, FFT

Introduction

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

The Landlords applied for:

- a Monetary Order for unpaid rent under section 67 of the Act
- a Monetary Order for damage to the rental unit or common areas under section 67 of the Act
- authorization to retain all or a portion of the Tenants' 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 Landlords under section 72 of the Act

Landlord E.Z. and Landlord C.H. attended the hearing for the Landlords.

Tenant N.K.S. and Tenant M.C. attended the hearing for the Tenants.

Service of Notice of Dispute Resolution Proceeding (Proceeding Package)

I find that Tenants N.K.S. and M.C. were served by pre-agreed email in accordance with section 89 of the Act.

I find that Landlords E.Z. and C.H. were served by pre-agreed email in accordance with section 89 of the Act.

Service of Evidence

Based on the submissions before me, I find that the Landlords' evidence was served to the Tenants in accordance with section 88 of the Act.

Based on the submissions before me, I find that the Tenants' evidence was served to the Landlords in accordance with section 71 of the Act.

Issues to be Decided

Are the Landlords entitled to a Monetary Order for damage to the rental unit or common areas under section 67 of the Act?

Are the Landlords entitled to authorization to retain all or a portion of the Tenants' security deposit in partial satisfaction of the Monetary Order requested under section 38 of the Act?

Are the Landlords 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 deposit under sections 38 of the Act?

Are the Tenants entitled to authorization to recover the filing fee for this application from the Landlords 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 subsequent one-year fixed term tenancy began on August 1, 2024, with a monthly rent of \$2,950.00, due on the first day of the month, with a security deposit in the amount of \$1,475.00. The tenancy ended on July 31, 2025.

The Landlord E.Z. testified that the Tenants damaged the kitchen countertop and therefore they are seeking \$2,415.00 in compensation for the cost to replace it.

E.Z. testified that the countertop is a single piece, made out of quartz circa 2018. He testified that after the damage was noted during the move-out inspection, the Tenants agreed to pay for its replacement and provided a quote in the amount of \$2,415.00 including G.S.T. He stated that while they agreed to limit their loss and accept the Tenant's quote, they chose to use their own, preferred service provider despite an actual installation cost of \$3,675.00 for the countertop's replacement. Pictures of the alleged damage, inspection reports, Tenants July 31, 2025, repair quote, Landlord's September 24, 2025 service provider report and quote as well as text and email correspondence between the parties discussing the issue, including the Tenants agreement to pay for the repairs, and the disposition of the Tenants' security deposit against the associated cost were submitted as evidence.

E.Z. testified that move-in and move-out inspections were conducted in which the Tenants participated. He stated that a copy of the move-in and move-out reports were provided by way of evidence for this dispute and that the Tenants provided their forwarding address on July 31, 2025.

Tenant N.K.S. confirmed that they did initially agree to pay to replace the damaged countertop out of a sense of obligation despite the fact that they did not do anything to cause it but later changed their minds and decided it would be best to have the Landlord file for dispute resolution and let an arbitrator decide the matter. He testified that after they secured the services of a contractor to inspect the damage and that the contractor advised them that the crack had likely been caused by the vibrations of the dishwasher and the sharp edges of the material which made it prone to cracking. Copies of text and email correspondence between the parties discussing the issue including a September 17, 2025, email from the Tenants to the Landlords advising them that they would not be making any payment towards the repair cost and wished to have the matter heard by the Residential Tenancy Branch were submitted as evidence.

N.K.S. confirmed that move-in and move-out inspections were conducted in which they participated. He testified that they received a copy of the move-in inspection report at the start of the tenancy and a copy of the move-out inspection report as part of the Landlords' evidence package. He further confirmed that a forwarding address was provided to the Landlords on July 31, 2025.

Analysis

Are the Landlords entitled to a Monetary Order for damage to the rental unit or common areas under sections 67 of the Act?

To be awarded compensation for a breach of the Act, the Landlord must prove:

- the tenant has failed to comply with the Act, regulation or tenancy agreement
- loss or damage has resulted from this failure to comply
- the amount of or value of the damage or loss
- the landlord acted reasonably to minimize that damage or loss

I find, based on the evidence submitted, the testimony provided and on a balance of probabilities, that the Tenants acknowledged responsibility for damaging the Landlords' countertop and agreed to cover the cost for its replacement in the amount of \$2,415.00, their subsequent change of heart notwithstanding.

I find, based on Residential Tenancy Policy Guideline 40 – Useful Life, that the Landlords are entitled to a 18/25 prorated replacement value of the circa 2018 countertop in the amount of \$1,738.80 under section 67 of the Act.

Are the Landlords entitled to retain all or a portion of the Tenants' security deposit in partial satisfaction of the monetary award requested? If not, are the Tenants entitled to the return of their security deposit?

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 July 31, 2025, and the Landlords made their application on September 21, 2025, I find that the Landlord did make their application within 15 days of the tenancy ending/the forwarding address being provided.

I find, however, that the Tenants, by agreeing to cover the costs of the repairs, and initially agreeing to pay the Landlords the difference between the value of the security deposit and the repairs themselves, gave the Landlords permission to keep the security deposit, their subsequent request to pay the invoice in full and then receive their deposit back notwithstanding, and therefore the Landlords were entitled to retain it under section 38(1)(b) of the Act.

I find that in any case, upon receiving the Tenants' September 17, 2025, notice that they no longer intended to pay for the damages and wished to have the Residential Tenancy Branch decide the matter, the Landlords immediately filed for dispute resolution.

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 Landlords conducted a move-in inspection at the start of the tenancy and complete an inspection report as required under section 23 of the Act and section 18 of the Regulations.

I find that the Landlords conducted a move-out inspection and provided a copy of the report as required under section 35 of the Act but did not provide a copy within 15 days of the end of tenancy as required under section 18 of the Regulations. I find, however, that as the Tenants had already given the Landlords' permission to retain the security deposit on the date the final inspection was conducted, the Landlords had not extinguished their right to claim against it as of the date the report was due to have been provided as no claim was required to keep it as of that date.

In accordance with section 38 of the Act, I allow the Landlords, under section 72 of the Act, to retain the Tenants' security deposit in the amount of \$1,505.76, including interest, in partial satisfaction of the monetary award.

Are the Landlords entitled to recover the filing fee for their application from the Tenants under section 72 of the Act? If not, are the Tenants entitled to recover the filing fee for their application from the Landlords under section 72 of the Act?

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

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

Conclusion

The Tenants' application is dismissed in its entirety without leave to reapply.

I grant the Landlords a Monetary Order in the amount of **\$333.04** under the following terms:

Monetary Issue	Granted Amount
a monetary award for compensation for damages under section 67 of the Act	\$1,738.80

authorization to retain all of the Tenants' security deposit in partial satisfaction of the Monetary Order requested under section 38 of the Act	-\$1,505.76
a monetary award for the recovery of the filing fee from the Tenants under section 72 of the Act	\$100.00
Total Amount	\$333.04

The Landlord is provided with this Order in the above terms, and the Tenants must be served with **this Order** as soon as possible. Should the Tenants 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: January 15, 2026

Residential Tenancy Branch