

DECISION

Introduction

This hearing dealt with the Tenant's Application for Dispute Resolution under the *Residential Tenancy Act* (the Act) for:

- cancellation of the Landlord's 10 Day Notice to End Tenancy for Unpaid Rent (10 Day Notice) under sections 46 and 55 of the Act

This hearing dealt with the Landlord's Application for Dispute Resolution under the *Residential Tenancy Act* (the Act) for:

- an Order of Possession based on the 10 Day Notice to End Tenancy for Unpaid Rent or Utilities (10 Day Notice) under sections 46 and 55 of the Act
- a Monetary Order for unpaid rent under section 67 of the Act
- authorization to recover the filing fee for this application from the Tenants under section 72 of the Act

The Tenant attended the hearing.

The Landlord attended the hearing and was accompanied by his daughter, M.H. and N.A., an agent.

Service of Notice of Dispute Resolution Proceeding (Proceeding Package)

The Tenant testified that the Proceeding Package was served on the Landlord via email on December 14th or December 15, 2025. The Landlord acknowledged receipt of the Proceeding Package on December 23, 2025. As a result, I find that the Landlord received the Proceeding Package after being served in accordance with section 89 of the Act.

The Landlord testified that the Proceeding Package was served on the Tenant by registered mail on December 22, 2025. The Tenant acknowledged receipt of the Proceeding Package sometime in December 2025. As a result, I find that the Tenant received the Proceeding Package after being served in accordance with section 89(1) of the Act.

Service of Evidence

The Tenant testified their evidence was included in the Proceeding Package emailed to the Landlord on December 14th or 15, 2025 and acknowledged received by the Landlord on December 23, 2025. Based on the submissions before me, I find that the Tenant's evidence was served on the Landlord in accordance with section 88 of the Act.

The Landlord testified that their evidence was served to the Tenant via email on January 13, 2026. The Tenant acknowledged receipt of the Landlord's evidence by email but was unsure when he received it. Based on the submissions before me, I find that the Tenant is deemed to have received the Landlord's evidence, in accordance with section 90 of the Act, on January 16, 2026, by email on the third day after sending it.

Issues to be Decided

Should the Landlord's 10 Day Notice be cancelled? If not, is the Landlord entitled to an Order of Possession?

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

Is the Landlord entitled to recover the filing fee for this application from the Tenant?

Background and Evidence

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

The parties agreed that this tenancy began in July 2025, with a monthly rent of \$2,500.00, due on the first day of the month.

The Landlord testified that a 10 Day Notice (the "Notice") was issued to the Tenant on December 7, 2025, for failing to pay rent of \$10,000.00 and utilities of \$300.00, both due on December 1, 2025. The Landlord testified that the Notice was served on the Tenant by registered mail on December 7, 2025. A copy of the Notice was submitted into evidence. It is signed by the Landlord, lists the rental unit address, and specifies an effective date of December 23, 2025.

The Landlord testified that a second 10 Day Notice was issued to the Tenant on January 5, 2026, for failing to pay rent of \$12,500.00 and utilities of \$350.00, the rent due on January 1, 2026, and the utilities due on December 8, 2025.

The Landlord testified that the Tenant made the following payments toward December 2025 and January 2026 rent:

- December 1, 2025: \$2,500.00

- January 1, 2026: \$2,500.00
Total Paid: \$5,000.00

The Landlord testified that he and the Tenant entered into a verbal tenancy agreement prior to the Tenant moving into the rental unit. Under that agreement, the Tenant was permitted to occupy one bedroom in a two-bedroom rental unit for a monthly rent of \$2,500.00, payable on the first day of each month. The Landlord testified that the second bedroom was not included in the tenancy and was used as an Airbnb unit during this period.

The Landlord testified that the Tenant moved into the rental unit in or around July 2025. He stated that no security deposit was paid by the Tenant at the start of the tenancy. The Landlord further testified that no written tenancy agreement was in place at the start of the tenancy and that the written agreement later uploaded by the Tenant was not provided to him until December 2025. The Landlord testified that he disputes the authenticity of that document.

The Landlord testified that the Tenant resided in the rental unit during August, September, October, and November 2025, but that rent was not paid for those months. The Landlord testified that he had several verbal discussions with the Tenant regarding the unpaid rent and that the Tenant repeatedly advised that rent would be paid, but payment was not made at that time.

The Landlord testified that he ultimately received rent payments from the Tenant in the amount of \$2,500.00 on December 1, 2025, and \$2,500.00 on January 1, 2026.

The Landlord testified that, separate from the tenancy, he also had business and financial dealings with the Tenant. He stated that the Tenant assisted with Airbnb operations, performed painting work, and worked at the Landlord's towing business. The Landlord testified that these arrangements were independent of the tenancy agreement and were not intended to replace or offset the Tenant's obligation to pay rent.

The Landlord further testified that he loaned money to the Tenant on more than one occasion and that repayment of those loans was also separate from the tenancy and rent obligations. He testified that although some loans were repaid through work or direct payment, no agreement existed to apply those amounts toward rent.

The Landlord testified that he allowed these additional arrangements in good faith due to his prior relationship with the Tenant, but he stated that none of these business or financial dealings altered the Tenant's obligation to pay rent under the verbal tenancy agreement.

The Landlord testified that he is seeking an Order of Possession effective January 31, 2026 due to unpaid rent.

The Landlord submitted the following into evidence:

- 10 Day Notice dated December 7, 2025
- 10 Day Notice dated January 5, 2026
- a rent and utilities arrears summary for the period August 2025 to January 2026

The Tenant testified that he disputes the Landlord's claim for unpaid rent. He stated that he did not pay rent for the months of August, September, October, and November 2025 because he believed the Landlord owed him money in an amount exceeding \$15,000.00.

The Tenant testified that he and the Landlord had various business and financial dealings, including agreements related to improving the rental unit, assisting with Airbnb operations, co-hosting the Airbnb unit, performing repair and renovation work, and working for the Landlord in other capacities. The Tenant testified that this work was performed in good faith and that the Landlord agreed to compensate him for it.

The Tenant testified that the work he performed to improve the rental unit had a value of approximately \$15,000.00, and that he understood this amount to offset his rent obligations. However, the Tenant did not submit documentary evidence to substantiate the amount claimed or to demonstrate that the parties agreed that rent would be waived, deferred, or credited in exchange for this work.

The Tenant also testified about loans, employment arrangements, and other financial transactions between the parties, including work performed for the Landlord and discussions regarding repayment. The Tenant stated that these dealings contributed to his belief that rent was not owing during the period in question.

With respect to the tenancy itself, the Tenant testified that he had early access to the rental unit in July 2025, which he described as early access only and not the commencement of the tenancy. He testified that rent was not requested at that time.

The Tenant further testified that he believed rent had been paid in accordance with the tenancy agreement and relied on his understanding of the parties' broader relationship to support this position. He submitted a written response asserting that the tenancy agreement was valid and that allegations of unpaid rent were unfounded.

However, during the hearing, the Tenant did not provide clear testimony or documentary evidence demonstrating that rent was paid for the months of August through November 2025, nor did he provide evidence of an agreement permitting rent to be withheld or offset against other alleged amounts owed by the Landlord.

The Tenant submitted the following into evidence:

- Tenancy Agreement

- Bank Draft dated November 6, 2025, in the amount of \$5,500.00. Payable to the Landlord.
- 10 Day Notice dated December 7, 2025.

Analysis

Should the Landlord's 10 Day Notice be cancelled? If not, is the Landlord entitled to an Order of Possession?

Section 46 of the Residential Tenancy Act (the Act) allows a landlord to end a tenancy by issuing a 10 Day Notice to End Tenancy for Unpaid Rent or Utilities where a tenant fails to pay rent when it is due. Upon receipt of a 10 Day Notice, a tenant has five days to either pay the outstanding rent in full or file an application for dispute resolution to dispute the notice.

In this case, I find that the Landlord served the first 10 Day Notice dated December 7, 2025 on the Tenant by registered mail, and that the Tenant is deemed to have received the Notice on December 11, 2025. The Tenant filed the application for dispute resolution on December 16, 2025, within the five-day period set out in section 46(4) of the Act. I therefore find that the Tenant preserved the right to dispute the Notice.

The central issue before me is whether the Tenant had unpaid rent or utilities owing at the time the 10 Day Notice was issued.

The parties agreed that the monthly rent under the verbal tenancy agreement was \$2,500.00, due on the first day of each month. I accept the Landlord's testimony that rent was not paid for the months of August, September, October, and November 2025. This testimony is supported by the rent and utilities arrears summary and by the absence of any documentary evidence from the Tenant showing that rent was paid for those months.

The Tenant did not dispute that rent was not paid for these months. Instead, the Tenant testified that he withheld rent because he believed the Landlord owed him money arising from other business and financial dealings between the parties.

The Tenant submitted a bank draft dated November 6, 2025, in the amount of \$5,500.00, payable to the Landlord. The Tenant did not testify that this payment was made for rent, nor did the documentary evidence indicate that the payment was intended as rent.

The Landlord testified that this payment represented repayment of a loan previously advanced to the Tenant, and not rent. I accept the Landlord's testimony in this regard. The bank draft is consistent with the Landlord's evidence that the parties had separate financial dealings involving loans, and there is no evidence before me that this payment was applied toward rent or that the parties agreed it would be credited against rental arrears.

I therefore find that the bank draft dated November 6, 2025, in the amount of \$5,500.00, was repayment of a loan and does not constitute payment of rent under the tenancy agreement.

Section 26 of the Act requires a tenant to pay rent when it is due under the tenancy agreement, regardless of any dispute with the landlord, unless the tenant has a legal right under the Act to withhold or deduct rent. A tenant does not have the right to unilaterally withhold rent on the basis that the landlord owes money for unrelated matters.

I accept the Landlord's testimony that the parties' business and financial dealings were separate from the tenancy and that no agreement existed to waive, defer, or offset rent in exchange for work performed, loans, or other arrangements. The Tenant did not provide documentary evidence to establish that rent was paid, credited, or forgiven during the period in question.

Based on the evidence before me, I find that rent remained unpaid at the time the 10 Day Notice dated December 7, 2025, was issued and that the Tenant did not pay the outstanding rent within five days of receiving the Notice.

For these reasons, I find that the Landlord's 10 Day Notice dated December 7, 2025, is valid. The Tenant did not pay the outstanding rent within the five-day period required by the Act, and therefore, the tenancy was lawfully ended.

For the above reasons, the Tenant's application for cancellation of the Landlord's 10 Day Notice under sections 46 and 55 of the Act is dismissed, without leave to reapply.

Therefore, I find that the Landlord is entitled to an Order of Possession based on a 10 Day Notice under sections 46 and 55 of the Act.

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

Section 55(1.1) of the *Residential Tenancy Act* (the Act) states that if a tenant makes an application to set aside a landlord's notice to end a tenancy under section 46 of the Act for non-payment of rent and the application is dismissed, the arbitrator must grant the landlord an order requiring the repayment of the unpaid rent, provided that the notice complies with section 52 of the Act. I have found that the 10 Day Notice complies with section 52 of the Act.

In determining whether unpaid rent is owing, I considered the testimony of both parties. I accept the Landlord's testimony that rent in the amount of \$2,500.00 per month was due on the first day of each month and that rent was not paid for the months of August, September, October, and November 2025. The Landlord's testimony on the rent owing was consistent with the amounts claimed in the 10 Day Notice and with the payments that were later made in December 2025 and January 2026.

The Tenant testified that rent was not paid for those months because he believed the Landlord owed him money arising from separate business and financial dealings. However, the Tenant did not establish that there was an agreement between the parties that rent would be waived, deferred, or credited against those alleged amounts.

Based on the testimony before me, I find that rent was unpaid for four months at \$2,500.00 per month, for a total of \$10,000.00.

Although the 10 Day Notice refers to unpaid utilities, the Landlord did not pursue a claim for unpaid utilities at the hearing. Accordingly, I make no findings and grant no monetary award with respect to utilities.

Therefore, I find the Landlord is entitled to a monetary award for unpaid rent in the amount of \$10,000.00, as calculated below:

Is the Landlord entitled to recover the filing fee for this application from the Tenant?

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

Conclusion

I grant an Order of Possession to the Landlord **effective seven (7) days after service of this Order on the Tenant**. Should the Tenant or anyone on the premises fail to comply with this Order, this Order may be filed and enforced as an Order of the Supreme Court of British Columbia.

I grant the Landlord a Monetary Order in the amount of **\$10,100.00** under the following terms:

Monetary Issue	Granted Amount
a monetary award for unpaid rent under section 55 of the Act	\$10,000.00
authorization to recover the filing fee for this application from the Tenant under section 72 of the Act	\$100.00
Total Amount	\$10,100.00

The Landlord is provided with this Order in the above terms and the Tenant must be served with **this Order** as soon as possible. Should the Tenant fail to comply with this

Order, this Order may be filed and enforced in the Provincial Court of British Columbia (Small Claims Court).

The Tenant's application for cancellation of the Landlord's 10 Day Notice under sections 46 and 55 of the Act is dismissed, without leave to reapply.

This decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under section 9.1(1) of the Act.

Dated: January 21, 2026

Residential Tenancy Branch