

DECISION

Introduction

This hearing began on October 30, 2025, and reconvened on January 26, 2026 to deal with the cross-applications by the parties pursuant to the *Residential Tenancy Act* (the “Act”) for Orders as follows:

The Tenants requested:

- a Monetary Order for compensation for damage or loss under the Act, regulation or tenancy agreement under section 67 of the Act
- 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

The Landlord requested:

- a Monetary Order for damage to the rental unit or common areas under sections 32 and 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 Tenants under section 72 of the Act

Service of Applications and Evidence

Both parties had confirmed receipt of each other's applications and evidentiary materials.

Issues to be Decided

Are the parties entitled to a monetary orders requested in their applications?

Are the parties entitled to recovery of their filing fees?

Are the Tenants entitled to the return of their security deposit?

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.

This tenancy began on July 5, 2024, and ended on July 31, 2025. Monthly rent was set at \$3,100.00, payable on the first day of the month. The Landlord holds a security deposit of \$1,550.00.

The Landlord requested a monetary order of \$9,840.34, for reimbursement of losses associated with damage to the rental unit. The Landlord alleges that the Tenants were aware of signs of water damage or ingress in the rental unit, and failed to disclose or communicate with the Landlord as soon as they were aware of any issues.

The Landlord argued that a result of the Tenants' failure to report the signs of water ingress or damage in a timely manner, the unit suffered considerable damage, which included widespread mold and contamination.

The Landlord testified that they only became aware of the water damage after receiving an email from the strata council in July 2025. The Landlord testified that a leak was discovered in the common area in April 2025, and the strata council followed up by knocking on doors. The Landlord testified that the Tenants did not answer their door, nor did they report any leaks.

The Landlord testified that in June 2025, there were further reports of leaks by other Tenants, as well as further attempts by the strata council to investigate whether there were other leaks or water damage.

The Landlord testified that they only became aware of the water damage in the Tenant's rental unit in June 2025. The Landlord included in evidence a copy of an email from the strata council dated July 4, 2025, that the mold had been growing for some time. The email stated that the "tenants cited the front door being unable to close for about a month prior to Council addressing the removal of the front door wooden plate on June 11" and the plumber agreed that the mold problem had likely been active for several months prior to Council's first visit to your unit on June 9".

The Landlord submitted a copy of another email from the strata council dated July 12, 2025, which states that the council had confirmed that the leaks were related. The email

states that on June 9, 2025, they were finally able to reach the Tenant and inspect the rental unit. Upon inspection the strata council noted that “we were alarmed to see significant mold and moisture along several baseboards in the unit, and several floorboards gushed water upwards when we stood in some areas. This suggested to us that this damage had been building for some time, yet we had not received any reports of damage in this unit”. The email goes further to state that the first report of any water damage from the Tenants was on June 11, 2025, when they reported the issue with the door.

The Landlord alleges that due to the delay, the Landlord was unable to recover the losses through their insurance or through strata. The Landlord stated that the property management company has confirmed that the strata council was holding the Landlord liable for the cost of repairs due to the Tenant’s failure to notify the Landlord of the water damage in a timely manner.

The Landlord submitted a photo of moldy baseboards, covered in paper or cardboard. The Landlord submitted proof of payment, a copy of the professional unit assessment, as well as invoices associated with the claim.

The Landlord testified that the tenancy ended on July 31, 2025, after they had filed an application under section 56 of the Act for early termination of this tenancy.

The Landlord is also seeking a monetary claim of \$200.00 for recovery of a fine assessed by the strata council for breach of a bylaw by the Tenants by obstructing the garbage chute with inappropriate and oversized items.

The Tenants argued that the Landlords did not submit copies of all the correspondence sent by the Tenants. The Tenants argued that they did not connect the door issue with the water leak issue, and had just noticed that the door was misshapen, and hard to open and close. The Tenants testified that they had attributed the issue to the fact that the door was old.

The Tenants argued that they had reported an issue in May with the hot water, which demonstrates their diligence in reporting any issues. The Tenants testified that the strata council had inspected the unit on June 9, 2025, which was the first time the Tenants had noticed water in the rental unit. The Tenants noted that the source of the leaks were from failed poly b piping from the unit above, and therefore the Tenants were not aware that there was a leak.

The Tenants questioned when the photo of the baseboard and covering was taken, and argued that the photo was from July 9, 2025. The Tenants confirmed that they did attempt to cover up the mold for health reasons, but only after they had informed the Landlord of the issue.

The Tenants also argued that the Landlord delayed the remediation and repairs, which caused further mold growth.

The Tenants requested the following monetary claims:

#1	TD transactions & Interac e-Transfer	Food,Uber,Housing,moving	\$3,668.93
#2	WeChat & Emails (Strata Council)	Cleaning & garbage penalty	\$ 400.00
#3	YMCA Community	Summer Camp	\$247.25
#4	YALE MEDICAL CE	Child's doctor note fee	\$40.00
#5	Tenancy Agreement (2025), RTA s.67	New lease extra rent	\$ 2,400.00
#6	Tenancy Agreement (2024), RTA s.38	Security deposit - double	\$3,100.00
#7	Tenancy Agreement (2024), RTA s.67	Rent Abatement (May-July)	\$ 9,300.00
#8	RTA s.28, 29	quiet enjoyment	\$ 5,000.00
#9	RTA s.67	mental distress	\$ 500.00
#10			\$
Total monetary order claim			\$ 24656.18

The Tenants argued that they suffered significant losses associated with this tenancy, including having to find short term accommodation before finding new housing.

The Tenants also requested double the security deposit as they were assured that they would be refunded their full deposit, but were not.

The Landlord disputed all of the Tenants' claims for compensation as there was no contravention of the Act on their part.

Analysis

When two parties to a dispute provide equally plausible accounts of events or circumstances related to a dispute, the party making the claim has the burden to provide sufficient evidence over and above their testimony to establish their claim.

Under section 67 of the Act, when a party makes a claim for damage or loss, the burden of proof lies with the applicant to establish the claim. To prove a loss, the applicant must satisfy the following four elements on a balance of probabilities:

1. Proof that the damage or loss exists;
2. Proof that the damage or loss occurred due to the actions or neglect of the respondent party in violation of the Act, Regulation or tenancy agreement;
3. Proof of the actual amount required to compensate for the claimed loss or to repair the damage; and
4. Proof that the applicant followed section 7(2) of the Act by taking steps to mitigate or minimize the loss or damage being claimed.

In consideration of the Landlord's monetary claim for repairs, I find the Landlord's evidence falls short in supporting that the Tenants were aware of the leak, and failed to report any water damage or mold in a timely manner.

I find that the history shows that the Tenants did communicate with the Landlord and strata council of any issues that they became aware of. I find that this is supported by their report of the hot water issue in May 2025.

I accept that the Tenants first became aware of a possible water issue on June 9, 2025, the date of the first inspection. I accept the testimony of the Tenants that they were communicating with, and cooperating with, the strata council with respect to the water issue. Despite the fact that there may have been previous attempts to enter the Tenants' rental unit, I do not find a knock on the door to be formal notice of an inspection. I find that it could be possible that the Tenants were not home at the time and date of the previous attempts to inquire about the water leak. I do not find that the

evidence shows that the Tenants have been uncooperative about allowing access to the rental unit.

Furthermore, I am not satisfied that the Landlord had sufficiently supported that the Tenant was aware of the mold, or had attempted to conceal the mold instead of reporting it. I accept the sworn testimony of the Tenants did not notice the leak and resulting mold until around June 9, 2025.

I am not satisfied that the photos show any deliberate attempts to conceal any mold or damage. While the Tenants did confirm that they did cover the mould with cardboard, I accept their sworn testimony that this took place after the Landlord was already informed of the issue, and the Tenants had covered the mold in an attempt to mitigate any health issues arising from the mold.

I also accept that although the Tenants were having increasing difficulty opening and closing their door, the Tenants were unaware of the link between the door and water damage.

In light of the evidence and testimony before me, I am not satisfied that the Landlord had sufficiently demonstrated that the Tenants failed to report any mold or water damage in a timely manner after becoming aware of the issue. While I find the circumstances to be quite unfortunate, which caused significant stress and loss for both parties, I am not satisfied that there was any contravention of the Act on behalf of the Tenants. Accordingly, I dismiss the Landlord's monetary claim for repairs, without leave to reapply.

In consideration of the Landlord's monetary claim related to the fine, I am satisfied that the evidence shows that the Landlord received a fine due to the Tenants' bylaw infraction. Accordingly, I grant the Landlord a Monetary Order for \$200.00.

As the Landlord's monetary claim had merit, I also allow the Landlord to recover the \$100.00 filing fee.

I have considered the Tenants' monetary claim for losses. As noted above, I find that both parties had suffered greatly due to the unfortunate events that have taken place during this tenancy. I am not satisfied that there was any contravention on part of the Landlords.

Although there may have been discussions and negotiations prior to the previous hearing, I find that this tenancy had ended pursuant to an agreement by the Tenants to

vacate the rental unit on July 31, 2025, as recorded in the July 30, 2025 decision. No findings were made by an Arbitrator in relation to the Landlord's application under section 56 of the Act.

I am not satisfied that the Tenants' had supported that any of the losses claimed in their application were due to the Landlord's contravention of the Act. Accordingly, I dismiss the Tenants' monetary claims for compensation, without leave to reapply.

In regards to the security deposit, a Landlord has the right to file an application to retain the security deposit within 15 days of the receiving the Tenant's forwarding address, or move-out date. In this case, the Landlord had filed their application on August 6, 2025. I find that the Landlord had complied with the Act in relation to retaining the security deposit. I, therefore, dismiss the Tenants' claim for double the security deposit, without leave to reapply.

As the Tenants' were not successful in their claims, I also dismiss their claim to recover the filing fee.

Under section 72 of the Act, I allow the Landlord to retain a portion of the Tenant's security deposit, plus interest, in partial satisfaction of the monetary awards granted. I order that the Landlord return the remaining amount to the Tenants.

Conclusion

I dismiss the Tenants' entire application, without leave to reapply.

The Landlord is granted the following monetary awards. The Tenants will be provided with a Monetary Order for the return of the remainder of their security deposit.

I grant the Tenants a Monetary Order in the amount of **\$1,285.55** under the following terms:

Monetary Issue	Granted Amount
a Monetary Order for money owed or compensation for loss under the Act, regulation or tenancy agreement under section 67 of the Act	\$200.00
authorization to recover the filing fee for this application from the Tenants under section 72 of the Act	\$100.00
Less security deposit held, plus applicable interest	-\$1,585.55

Total Amount to be returned to Tenants	\$1,285.55
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The Tenants are provided with this Order in the above terms and the Landlord(s) must be served with **this Order** as soon as possible. Should the Landlord(s) 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 Act.

Dated: February 23, 2026

Residential Tenancy Branch