



Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

DECISION

Dispute Codes MND, MNR, MNSD, FF

Introduction

This hearing dealt with a landlord's application for authorization to make deductions from the tenants' security deposit and pet damage deposit for unpaid utilities; damage; and missing key. The tenants did not appear at the hearing. The landlord testified that he sent hearing packages to each tenant the day after he filed his Application for Dispute Resolution via registered mail at the forwarding addresses the tenants provided to him in text messages. The landlord testified that he sent his supporting documents and calculations to each of the tenant via regular mail with the last mailing being December 20, 2017. I accepted the landlord's testimony as to service of the hearing documents upon each tenant and I proceed to hear the landlord's claims.

Issue(s) to be Decided

1. Has the landlord established an entitlement to compensation from the tenants in the amounts claimed?
2. Is the landlord authorized to make deductions from the tenants' security deposit and pet damage deposit?

Background and Evidence

The landlord submitted that a tenancy agreement commenced with two co-tenants (identified by initials SF and SZ) on October 30, 2016 requiring the tenants to pay rent of \$1,400.00 on the first day of the month and a security deposit of \$700.00 and a pet damage deposit of \$700.00. I heard that SZ moved out of the rental unit and on December 13, 2016 the landlord and tenant SF executed another tenancy agreement for the same amount of rent and the security deposit and the pet damage deposit of \$1,400.00 that had been collected under the first tenancy agreement was transferred to the second tenancy agreement. On January 22, 2017 a third tenancy agreement was

executed with SF and a new co-tenant (identified by initials RE). The monthly rent remained the same and the landlord submitted that he collected \$700.00 in deposits from RE. The tenancy came to an end on June 30, 2017.

The landlord did not prepare condition inspection reports but testified that there was no dispute as to damage at the rental unit and a missing key when he met with the tenants at the end of the tenancy. The landlord testified that he has already refunded \$668.54 of the deposits to RE. The landlord testified that he has not refunded any monies to SF.

The landlord submitted that at the end of the tenancy the bathroom door was damaged and one of the four keys he provided was not returned. The landlord seeks compensation of \$123.20 to purchase a new bathroom door and \$100.00 for labour to remove the damaged door, pick up, install and paint the new door. The landlord provided a copy of a receipt showing the purchase price of the new door is \$123.20 and photographs of a door that appears significantly damaged. The landlord also seeks \$100.00 as compensation for the lost key. The landlord pointed to the tenancy agreement that provides for a charge of \$100.00 for a lost key. The landlord provided receipts to show he purchased new locks and had them re-keyed to match at a cost of \$122.02 and \$28.79 respectively. The landlord stated that he also incurred time and labour to replace the locks.

The landlord also seeks to recover hydro, gas and water bills from the tenants. I noted that the tenancy agreement is a document that does not comply with the requirements of the *Residential Tenancy Act* and it is silent as to whether utilities are included in rent or are payable in addition to rent. The landlord asserted that the tenants were responsible for paying for hydro at the property, less a deduction for hydro used to supply heat to the basement suite; that the tenants were responsible for the entire natural gas bill since it fuels the furnace and the furnace supplies heat to the rental unit only; and, the tenants were responsible for 2/3 of the water bill since the basement suite tenant pays 1/3 of the water bill.

The landlord seeks \$125.79 for hydro for the period of April 5 – June 2, 2017 and \$63.00 estimated for the period of June 3 – 30, 2017. The landlord provided a copy of the BC Hydro bill issued on June 6, 2017 as evidence along with calculations showing a deduction of \$10.92 was applied for heat attributable to the separate basement suite. The landlord testified that he installed a meter that measures the hydro consumed by the heater(s) in the basement suite.

The landlord seeks to recover natural gas costs of \$179.34. The landlord provided a copy of the Fortis bill for the period of June 1, 2017 through June 29, 2017 in support of this claim.

The landlord seeks to recover \$22.63 for water for the month of June 2017. The landlord provided a utility bill showing a meter reading was taken June 19, 2017 and the cost of water was \$129.24 for 114 days. The landlord calculated the cost for the 30 days in June 2017 to be \$33.95 and then multiplied this by 2/3 since the basement suite tenant pays 1/3 of the bill.

Analysis

Upon consideration of all of the undisputed evidence before me, I provide the following findings and reasons.

Pursuant to section 37 of the Act, a tenant is required to leave the rental unit undamaged and return all keys or means of access to the landlord at the end of the tenancy.

Upon review of the photographs and receipts, and considering the undisputed testimony of the landlord only, I find the landlord has satisfied me that the bathroom door was significantly damaged and required replacement. I am further satisfied by the receipts and undisputed testimony that one of the keys was not returned to the landlord at the end of the tenancy. Therefore, I grant the landlord's request to deduct \$223.20 and \$100.00 from the security deposit for the damage and unreturned key.

As for the landlord's claim for unpaid utilities, I find I am satisfied by the bills provided and the undisputed testimony that the landlord is entitled to recover the amounts claimed from the tenants. Although the tenancy agreement is silent with respect to utilities, there is no indication that utilities are included in rent. I further accept the landlord's explanation that the basement suite tenant is responsible for some of the hydro and water bills as being reasonable in the circumstances described to me. Therefore, I grant the landlord's request to deduct \$188.79 for hydro; \$179.34 for natural gas; and \$22.63 for water from the tenants' deposits.

As the landlord's claim had merit, I further award the landlord recovery of the \$100.00 filing fee paid for this application.

As for the amount of deposits held by the landlord, I accept that he was holding \$1,400.00 in deposits for SF when he accepted a further \$700.00 in deposits from RE. The landlord did not provide any evidence to show he had refunded any portion of the deposits except for testimony that he already refunded \$668.54 to RE. Therefore, based on the landlord's undisputed testimony, I find the landlord continues to hold deposits totalling \$1,431.45 [calculated as \$1,400.00 + \$700.00 - \$668.54].

Below, I determine the amount of the deposits that remain refundable to the tenants after making deductions authorized by way of this decision:

Deposits collected	\$2,100.00
Deposits already refunded to RE	<u>668.54</u>
	\$1,431.46
Less authorized deductions for:	
Damage to door	(223.20)
Key not returned	(100.00)
Hydro	(188.79)
Natural gas	(179.34)
Water	(22.63)
Filing fee	<u>(100.00)</u>
Balance of deposits payable to tenants	\$ 617.50

I order the landlord to return the balance of the deposits to the tenants without further delay. In keeping with Residential Tenancy Branch Policy Guideline 17: *Security Deposit and Set-Off*, I provide the tenants with a Monetary Order in the amount of \$617.50 to ensure payment is made.

Conclusion

The landlord is authorized to make deductions from the tenants' security and pet damage deposit and I have determined that \$617.50 remains payable to the tenants. The landlord is ordered to refund the balance of \$617.50 to the tenants without further delay. The tenants are provided a Monetary Order in the amount of \$617.50 to ensure payment is made.

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 22, 2018

Residential Tenancy Branch