



Dispute Resolution Services

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Residential Tenancy Branch
Office of Housing and Construction Standards

A matter regarding MULTIPLE REALTY LTD
and [tenant name suppressed to protect privacy]

DECISION

Dispute Codes MNDCL-S MNDL-S FFL

Introduction

This hearing was convened as a result of the landlord's application for dispute resolution under the Residential Tenancy Act (the "Act"). The landlord applied for a monetary order for money owed or compensation for damage or loss under the Act, the tenancy agreement or the regulation, for authority to retain the tenants' security deposit, and for recovery of the filing fee paid for this application.

The landlord's representatives, hereafter, "landlord", attended the telephone conference call hearing; the tenants did not attend.

Prior to this hearing, the landlord filed an ex parte application for an order for substituted service pursuant to section 71(1) of the Act, requesting authority that their application for dispute resolution be served to the tenants in a different manner required under section 89 of the Act.

In a decision of May 3, 2019, by an adjudicator for the Residential Tenancy Branch (the "RTB"), the landlord was granted authority allowing the landlord to serve their application for dispute resolution on the tenants by WhatsApp message to the tenants the phone numbers listed in that decision. The adjudicator also ordered the landlords to provide proof of service which may include screen shots of the sent items or other documentation to confirm the landlord has served the tenants in accordance with this order in accordance with the order in the decision of May 3, 2019.

Upon review of the landlord's evidence, I find that the landlord submitted sufficient proof of screen shots that the tenants were served in a manner complying with the order for substituted service dated May 3, 2019. As a result, the hearing proceeded in the tenants' absence.

The landlords were provided the opportunity to present their evidence orally and to refer to relevant documentary evidence submitted prior to the hearing, and make submissions to me.

I have reviewed all oral and documentary evidence before me that met the requirements of the Dispute Resolution Rules of Procedure (the “Rules”); however, I refer to only the relevant evidence regarding the facts and issues in this decision.

Issue(s) to be Decided

Is the landlord entitled to an order for monetary compensation and to recovery of the filing fee paid for this application?

Background and Evidence

The written tenancy agreement submitted by the landlord shows that this tenancy began on May 7, 2018, and that the monthly rent was \$2,880.00. The landlords submitted that the tenants vacated the rental unit on or about May 6, 2019. The written tenancy agreement shows that the tenants paid a security deposit of \$1,440.00.

The landlord’s monetary claim is as follows:

ITEM DESCRIPTION	AMOUNT CLAIMED
1. Restoration services	\$18,755.99
2. Renovation and repair	\$9,765.00
3. Re-key	\$91.77
4. Building FOB	\$100.00
5. Loss of rent revenue	\$ 5,760.00
TOTAL	\$34,472.76

The landlord’s additional relevant documentary evidence included, but was not limited to, the move-in and move-out condition inspection report, documentation from the restoration company and the construction and repair company showing the costs of repairing and restoring the rental unit, proof of a service of a search warrant, an invoice for re-keying, and video recordings of the condition and state of the rental unit after the tenancy ended.

Repair, renovation and restoration-

The landlord testified that the tenants caused severe damage to the rental unit, which they used as a drug manufacturing lab. As drugs were being cooked inside the rental unit, it was necessary to complete an entire restoration of the rental unit prior to making the repairs and restoring the rental unit.

For instance, the entire rental unit, including the front door, was decontaminated from Fentanyl, HEPA vacuums and negative air machines were used in every room, personal property had to be removed and stored off-site or destroyed, Hazmat equipment was used, lab tests were performed, etc., according to the landlord.

In addition, the rental unit was also left in a disastrous state, extensive repairs were necessary. In support, the landlord referred to their video recordings made during the final inspection, which the tenants failed to attend after being provided three opportunities.

The landlord submitted that due to the drug manufacturing by the tenants, the police were required to be involved, as shown by the search warrant.

Re-keying

The landlord submitted that the tenants failed to return the keys to the rental unit, which caused the landlord to re-key the access doors.

Building FOB

The landlord submitted that the tenants threw the FOB out of the window and was not returned, causing them a loss of \$100.00.

Loss of rent revenue-

The landlord submitted that due to the state of the rental unit left by the tenants, which required extensive cleaning, restoring, and repairing, they suffered a loss of rent revenue of two months.

The landlord submitted the condition inspection report ("CIR") further substantiating their monetary claim.

Analysis

After reviewing the relevant evidence, I provide the following findings, based upon a balance of probabilities:

Under section 7(1) of the Act, if a landlord or tenant does not comply with the Act, the regulations or their tenancy agreement, the non-complying landlord or tenant must compensate the other party for damage or loss that results. Section 7(2) also requires that the claiming party do whatever is reasonable to minimize their loss. Under section 67 of the Act, an arbitrator may determine the amount of the damage or loss resulting from that party not complying with the Act, the regulations or a tenancy agreement, and order that party to pay compensation to the other party. The claiming party, the landlord in this case, has the burden of proof to substantiate their claim on a balance of probabilities.

In light of the tenants' failure to appear to provide a rebuttal to the landlord's evidence, despite being duly served, I accept the landlord's undisputed evidence.

Cleaning, repair and restoration-

As to the costs claimed by the landlord associated with cleaning, repairs for damage, and restoration costs, Section 37 of the Act requires a tenant who is vacating a rental unit to leave the unit reasonably clean and undamaged except for reasonable wear and tear.

I find the landlord submitted sufficient, unopposed evidence that due to the tenants using the rental unit for a drug cooking lab, the rental unit required extensive restoration, repair, and cleaning.

I find the video recording showing the state of the rental unit at the end of the tenancy disturbing and I find it further proves the landlord's monetary claim.

After reviewing the video and documentary evidence of the landlord, I find their monetary claim and costs to be reasonable in these circumstances.

I therefore grant them a monetary award for \$18,755.99 for restoration services and \$9,765.00 for renovation and repair services, for a total of \$28,520.99.

Re-keying and FOB-

The tenants were required to return the keys and the FOB to the landlord at the end of the tenancy, as per section 37(2) of the Act, and I find the landlord submitted sufficient evidence to show that they did not, causing the landlord to suffer a loss.

I therefore find they submitted sufficient evidence to support their claim and grant them a monetary award of \$91.77 for re-keying and \$100.00 for a building FOB, for a total of \$191.77.

Loss of rent revenue-

As to the landlord's claim for loss of rent revenue, I find the claim was premature at the time of their application. I therefore dismiss this claim, with leave to reapply.

I grant the landlord recovery of their filing fee of \$100.00, due to their successful application and pursuant to section 72(1) of the Act.

Due to the above, I grant the landlord's application in part and find they are entitled to a total monetary award of \$28,812.76, comprised of cost of cleaning, repairs for damage, and restoration costs for \$28,520.99, \$91.77 for re-keying and \$100.00 for a building FOB, and the filing fee for \$100.00 paid for this application.

At the landlord's request, I direct them to retain the tenants' security deposit of \$1,440.00 in partial satisfaction of their monetary award of \$28,812.76.

I grant the landlord a final, legally binding monetary order pursuant to section 67 of the Act for the balance due in the amount of \$27,372.76.

Should the tenants fail to pay the landlord this amount without delay after being served the order, the monetary order may be filed in the Provincial Court of British Columbia (Small Claims) for enforcement as an Order of that Court. The tenants are advised that costs of such enforcement are subject to recovery from the tenants.

Conclusion

The landlord's application for monetary compensation is granted in part, they have been authorized to retain the tenant's security deposit of \$1,440.00 and they have been awarded a monetary order for the balance due, in the amount of \$27,372.76.

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: August 21, 2019

Residential Tenancy Branch