

## **Residential Tenancies Tribunal**

Application 2024-1021-NL

Pamela Pennell  
Adjudicator

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### **Introduction**

1. Hearing was called at 2:00 p.m. on 4-December-2024.
2. The applicants, [REDACTED] and [REDACTED], hereinafter referred to as “the landlords” attended by teleconference.
3. The respondent, [REDACTED], hereinafter referred to as “the tenant” did not attend.

### **Preliminary Matters**

4. The tenant was not present or represented at the hearing and I was unable to reach her by telephone at the start of the hearing. This Tribunal’s policies concerning notice requirements and hearing attendance have been adopted from the *Rules of the Supreme Court, 1986*. According to Rule 29.05(2)(a) respondents to an application must be served with claim and notice of the hearing 10 clear days prior to the hearing date and, where the respondent fails to attend the hearing, Rule 29.11(1) states that the hearing may proceed in the respondent’s absence so long as she has been properly served. The landlords submitted an affidavit with their application stating that they had served the tenant with the notice of hearing electronically by email to; [REDACTED] on 7-November-2024 (LL#1). The landlords submitted proof of the email address used and proof that the email was sent on 7-November (LL#2). In accordance with the *Residential Tenancies Act, 2018* this is good service. As the tenant was properly served, and as any further delay in these proceedings would unfairly disadvantage the landlords, I proceeded with the hearing in her absence.
5. There was a verbal month-to-month rental agreement which commenced on 25-August-2024. The tenant vacated the unit on 30-September-2024. Rent was \$550.00 per month, due on the 1st day of each month. A security deposit was never received.

### **Issues before the Tribunal**

6. The landlords are seeking:
  - Rent paid & late fees \$225.00
  - Compensation for Inconveniences \$47.20
  - Other (loss of rental income) \$550.00

## Legislation and Policy

7. The jurisdiction of the Director of Residential Tenancies is outlined in Sections 46 and 47 of the *Residential Tenancies Act, 2018*.
8. Also, relevant and considered in this decision is the following section of the *Residential Tenancies Act, 2018*: Section 15: Fee for failure to pay rent. Also, relevant and considered in this decision is the following section of the *Residential Tenancies Policy*: Section 6-3: Mitigation on abandonment of Residential Premises.

**Issue # 1: Rent & Late Fees Paid \$225.00**

## Relevant Submission

9. The landlords testified that rent is outstanding in the amount of \$150.00 for the month of September 2024 and late fees are due in the amount of \$75.00. The landlords submitted a copy of the rental ledger to support the claim (L#3). See breakdown of rental ledger below:

## Rent Ledger

Landlord Name: [REDACTED] Start Date of Tenancy: Sept. 15<sup>th</sup>, 2024  
Tenant Name: [REDACTED] Security Deposit Paid: \$ 0  
Rental Unit Address: [REDACTED] Date Security Deposit Paid: [REDACTED]

## Landlord's Position

10. The landlords testified that rent is outstanding in the amount of \$150.00 for the month of September as the tenant only made two payments during the tenancy totaling \$400.00. The landlords are also seeking the maximum late fee charge of \$75.00.

## Analysis

11. Section 15 of the *Residential Tenancies Act, 2018* states:

## **Fee for failure to pay rent**

**15. (1) Where a tenant does not pay rent for a rental period within the time stated in the rental agreement, the landlord may charge the tenant a late payment fee in an amount set by the minister.**

The minister has prescribed the following:

*Where a tenant has not paid the rent for a rental period within the time specified in the Rental Agreement, the landlord may assess a late payment fee not to exceed*

- (a) *\$5.00 for the first day the rent is in arrears, and*
- (b) *\$2.00 for each additional day the rent remains in arrears in any consecutive number of rental payment periods to a maximum of \$75.00*

12. *Residential Tenancies Policy 12-1; Recovery of Fees: Filing, Costs, Hearing Expense, Interest, Late Payment and NSF* states:

### **Late payment fee:**

*A tenant is responsible to pay the landlord the full rent on the day the rent is due. If the rent is not paid on time, the landlord may charge the tenant a late payment fee of \$5.00 for the first day the rent is in arrears and \$2.00 for each additional day that the rent remains unpaid in any consecutive number of rental periods to a maximum of \$75.00.*

13. I accept the landlord's rental agreement as shown above and non-payment of rent is a violation of the rental agreement. Rent is required to be paid under a rental agreement whether it be verbal or written by a tenant(s) during the use or occupancy of a residential premises. In accordance with Section 15 of the Act as stated above, late fees can be charged to a maximum of \$75.00 in any consecutive number of rental periods where rent is in arrears. I find that the tenant is responsible for the outstanding rent and late fees in the amount of \$225.00.

## **Decision**

14. The landlord's claim for *rent paid* and *late fees paid* succeeds in the amount of \$225.00.

## **Issue # 2: Compensation for Inconveniences \$47.20**

### Relevant Submission

15. The landlords testified that it took them 2 hours of self-labor to clean the bathroom and to scrub dog urine out of the bedroom carpet and they are seeking \$47.20 to cover the cost of their labor to complete the work. The landlords submitted a copy of a ledger to support the claim (L#2). See copy of inconveniences ledger below:

E.g.		\$	
1	3cm x 3cm hole in bathroom wall		75.00
1	Dirty Bathroom		23.60
2	Dog Urine on Carpet		23.60

### Landlord's Position

16. The landlords testified that they had to clean the bathroom and scrub the bedroom carpet to remove dog urine before shampooing the carpet. The landlords stated that they are not seeking the cost to shampoo just their labor fee for 2 hours of work to clean the

bathroom and scrub the carpet prior to shampooing. The landlord submitted photographs of the bathroom and the carpet to support the claim (LL#4).

## Analysis

17. Based on the photographs entered into evidence, I accept that the bathroom needed cleaning and the carpet needed to be scrubbed prior to shampooing. The photograph of the bathroom shows a dirty toilet and an overflowing garbage container, and the photograph of the carpet shows a small stain. I find that the length of time it would take to complete both those tasks would not exceed 1 hour. For that reason, I find that the tenant is responsible to reimburse the landlords for 1 hour of their time for self-labor in the amount of \$23.60.

## Decision

18. The landlord's claim for *compensation for inconveniences* succeeds in the amount of \$23.60.

### **Issue # 3: Other (Loss of rental income) \$550.00**

#### Landlord's Position

19. The landlord's testified that the tenant abandoned the unit on the 30-September-2024 with 1 days' notice and they are seeking \$550.00 for the loss of rental income for the month of October. The landlords stated that the tenant had told them that she did not believe that she had to give any notice as they only had a verbal agreement and the landlords stated that they made the tenant aware of the requirements for notices as per the *Residential Tenancies Act, 2018*.

## Analysis

20. Section 6-3 of the *Residential Tenancies Policy* states:

#### **Mitigation on Abandonment of Residential Premises**

*A tenant is considered to have abandoned residential premises when all 3 of the following conditions are met:*

- *The tenant has vacated the residential premises*
- *The tenant's rent is overdue, and*
- *The rental agreement had not been terminated in accordance with the Residential Tenancies Act, 2018*

*A landlord has a legal duty to take all reasonable steps to mitigate their damages after a tenant abandons residential premises. As the most obvious sort of damage the landlord would suffer would be a loss of rental income, "mitigation" in these circumstances would entail the landlord taking immediate steps to find the new tenants to move into the property so that the landlord could again collect rent.*

21. I accept that the tenant vacated the unit without proper notice and in accordance with Section 6-3 of the *Policy* as stated above, where the tenant's rent was not up to date and where the tenant failed to provide proper notice to the landlord, the tenant abandoned the unit. With regards to mitigation, I asked the landlords if they made every effort to re-rent the unit and they responded that they posted the unit for rent immediately and they reached out to the HR department of [REDACTED] to see if they had any staff looking for rental units. The landlord's testified that they secured a new tenant effective 1-November-2024 and as a result incurred the loss of 1 month's rental income.

22. Landlords should not incur any financial loss due to the actions of tenants and the *Residential Tenancies Act, 2018* governs all rental agreements, whether they be verbal, in writing or implied. I find that the landlord made every effort to mitigate their losses and I find that the tenant is responsible for the loss of rental income for the month of October 2024 in the amount of \$550.00.

### **Decision**

23. The landlord's claim for *Other – loss of rental income* succeeds in the amount of \$550.00.

### **Summary of Decision**

24. The tenant shall pay the landlords \$798.60 as follows:

Rent & late fees paid .....	\$225.00
Compensation for inconveniences .....	23.60
Other (loss of rental income) .....	550.00
 Total .....	 \$798.60

December 9, 2024

Date



Pamela Pennell, Adjudicator  
Residential Tenancies Office