

Residential Tenancies Tribunal

Application 2025-0003-NL

Michael Reddy
Adjudicator

Introduction

1. The hearing was called at 9:15 AM on 18 March 2025 via teleconference.
2. The applicant, [REDACTED], hereinafter referred to as the landlord, participated in the hearing.
3. The respondents, [REDACTED] and [REDACTED], hereinafter referred to as the tenants, did not attend and were not represented.

Preliminary Matters

4. The tenants were not present or represented at the hearing and attempts to reach both by telephone prior to the hearing were unsuccessful. 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 hearing 10 clear days prior to the hearing date and, where the respondents fail to attend the hearing, Rule 29.11(1) states that the hearing may proceed in the respondent's absence so long as they have been properly served. The landlord submitted an affidavit with the application stating the tenants were served electronically [REDACTED] and text message [REDACTED] with the notice of hearing on 2 March 2025 at approximately 8:00 PM (L#1). In accordance with the *Residential Tenancies Act, 2018* this is good service. As the tenants were properly served, and as any further delay in these proceedings would unfairly disadvantage the landlord, I proceeded with the hearing in their absence.
5. There was a written monthly rental agreement (L#2) beginning on 1 October 2021 and the tenants vacated on 23 January 2025. Rent was \$1600.00 per month, due on the first of each month. A security deposit of \$800.00 was collected on the tenancy on 1 December 2021 and remains in the possession of the landlord.
6. The landlord amended his application during the hearing to remove the request for the determination of validity of termination notice and the request for vacant possession, and was seeking rental arrears up until 23 January 2025, the day which

he regained possession of the rental. The security deposit will also be dealt with in this decision.

Issues before the Tribunal

7. The landlord is seeking rental arrears of \$3950.00.

Legislation and Policy

8. The jurisdiction of the Director of Residential Tenancies is outlined in sections 46 and 47 of the *Residential Tenancies Act, 2018 (the Act)*.
9. Also relevant and referred to in this decision is Section 14 of the *Act*.

Issue 1: Rental arrears

10. The landlord testified the tenants were last at a zero-balance owing on 20 March 2024 and the tenants' payment of rent has been "inconsistent, but up until summer (2024), they got further and further behind". Along with this application, the landlord supplied a rental ledger (L#3) which is partially reproduced below:

Date	Transaction	Due	Paid	Balance
1 Oct 2024	Rent due	\$1600	\$0.00	\$3400.00
4 Oct 2024	Payment		\$750.00	\$2650.00
16 Oct 2024	Payment		\$1300.00	\$1350.00
1 Nov 2024	Rent due	\$1600	\$600.00	\$2350.00
1 Dec 2024	Rent due	\$1600	\$0.00	\$3950.00

11. As indicated herein, the landlord testified he was aware the tenants vacated the rental premises on 23 January 2025 and was seeking to include rental arrears up to that date.

Analysis

12. Non-payment of rent is a violation of the rental agreement. To determine the rental arrears for January 2025 a calculation for daily rent must be used. That calculation is: $\$1600.00 \times 12 \text{ months} = \$19200 \div 365 \text{ days} = \$52.60 \times 23 \text{ days} = \1209.80 . Rent owing for January 2025 is \$1209.80.

Decision

13. The landlords claim for rental arrears succeeds in the amount of \$5159.80.

Issue 2: Security Deposit

14. The tenancy has come to an end and the security deposit must be dealt with. In this case, the security deposit was \$800.00 and paid to the landlord on 1 December 2021. As the landlord's claim for compensation has been successful, the security deposit shall be applied against monies owing.

15. S. 14(7) of the *Act* states that a landlord shall credit interest to the tenant on the full amount or value of the security deposit, at the rate prescribed by the regulations, during the time the security deposit is held by the landlord. The regulations prescribe a simple cumulative 1% annual interest rate for 2025. Calculated to the date of the hearing, this results in total interest of \$9.71.

Summary of Decision

14. The landlord is entitled to a payment of \$4350.09 as follows:

a) Rental Arrears	\$5159.80
b) Less Security Deposit.....	\$809.71
c) Total.....	<u>\$4350.09</u>

16 May 2025

Date

Michael Reddy, Adjudicator
Residential Tenancies Office

