

Residential Tenancies Tribunal

Application 2025-0077-NL

Seren Cahill
Adjudicator

Introduction

1. Hearing was held on 25-February-2025 at 9:03 am.
2. The applicant, [REDACTED], hereinafter referred to as the tenant, attended via teleconference.
3. The respondent, [REDACTED], hereinafter referred to as the landlord, also attended via teleconference.

Preliminary Matters

4. The landlord acknowledged that she received notice of this hearing more than ten days in advance of the hearing date.

Issues before the Tribunal

5. Should the tenant's claim for the return of a security deposit succeed?

Legislation and Policy

6. The jurisdiction of the Director of Residential Tenancies is outlined in sections 46 and 47 of the *Residential Tenancies Act*, 2018 (the *Act*).

Issue 1: Security Deposit

7. The tenant seeks the return of a security deposit of \$850.00 which she states she paid to the landlord on 29-December-2024. The landlord did not dispute this. She seeks to retain the security deposit against unpaid rent to which she claims she is entitled in lieu of notice.
8. There was no application before me concerning a claim for unpaid rent in lieu of notice at the time of the hearing.

9. S. 14(11) provides that where a tenant makes an application for the return of a security deposit, the landlord has 10 days from the date the landlord is served with a copy of the tenant's application to make an application to the director to determine the disposition of the security deposit. S. 14(12) states that a landlord who does not make such an application shall return the security deposit to the tenant.
10. The security deposit must be returned to the tenant.

Decision

11. The \$850.00 security deposit must be returned to the tenant. 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 prescribed a simple cumulative interest rate of 1% annual for each of the years 2024 and 2025. Calculated to the date of the hearing, this yields total interest of \$1.40.
12. The tenant was successful in their application and therefore may seek to be reimbursed for their reasonable hearing expenses. They seek only the \$20.00 application fee. Upon review of their application, it appears that the tenant ought not to have been charged the application fee in the first place, as it does not apply to tenants who claim only the return of a security deposit. It would be inappropriate to pass the cost on to the landlord, so I cannot award it as a hearing expense. The tenant may, however, contact our office for reimbursement.

Summary of Decision

13. The landlord shall pay to the tenants \$851.40 in the return of the security deposit plus interest.

16-May-2025
Date



Seren Cahill
Residential Tenancies Office