

Residential Tenancies Tribunal

Application 2025-0317-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 1:48 p.m. on 5-May-2025.
2. The applicant, [REDACTED], represented by [REDACTED] and [REDACTED], hereinafter referred to as "the landlord" attended by teleconference.
3. The respondent, [REDACTED] (tenant 1), hereinafter referred to as "the tenant" attended by teleconference. The respondent, [REDACTED] (tenant 2), hereinafter referred to as "the tenant" did not attend.

Preliminary Matters

4. The landlord submitted 2 affidavits with their application stating that they had served the tenants with the notice of hearing electronically by email to; [REDACTED] and [REDACTED] on 11-April-2025 (LL#1). Tenant 1 confirmed that both he and tenant 2 received the documents on or about that date. In accordance with the *Residential Tenancies Act, 2018* this is good service.
5. There was a written month-to-month rental agreement which commenced on 1-October-2020. The tenants vacated the unit on 24-December-2024. Rent was \$1225.00 per month, due on the first day of each month. A security deposit of \$475.00 was paid on 3-November-2020 and is in the landlord's possession.

Issues before the Tribunal

6. The landlord is seeking:
 - Late fees paid \$75.00
 - Compensation paid for damages \$1092.50
 - Other (admin fees) \$218.50
 - Hearing expenses \$20.00
 - Security deposit plus interest applied against monies owed \$479.75

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 are the following sections of the *Residential Tenancies Act, 2018*: Section 14: Security deposit and Section 15: Fee for failure to pay rent. Also, relevant and considered in this decision are the following sections of the *Residential Tenancies Policy Manual*: Section 9-3: Claims for damages to rented premises and Section 12-1: Recovery of costs.

Issue # 1: Late fees paid \$75.00

Landlord's Position

9. The landlord's representative testified that the tenants vacated the unit on 24-December-2024 and paid rent for that month on the day prior to vacating. The landlord's representative stated that they are seeking late fees to be paid in the amount of \$75.00.

Tenant's Position

10. Tenant 1 did not dispute that they paid rent late on 23-December and he did not dispute the landlord's claim for late fees.

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.

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. As tenant 1 did not dispute the landlord's claim for late fees and in accordance with Section 15 of the Act and Section 12-1 of the *Policy* as stated above, I find that the tenants are responsible for late fees for the period of December 2-22 in the amount of \$45.00.

Decision

14. The landlord's claim for *late fees paid* succeeds in the amount of \$45.00.

Issue # 2: Compensation paid for damages \$1092.50

Landlord's Position

15. The landlord's representative testified that the unit needed a deep clean with a surcharge applied due to the infestation of cockroaches, and they are seeking \$1092.50 to cover the cost. The landlord submitted an invoice from [REDACTED] to support the claim (LL#2) and photographs of the cleanliness of the unit to support the claim (LL#3).

Tenant's Position

16. Tenant 1 did not dispute that the unit needed some cleaning, nor did he dispute that there had been a cockroach infestation in the unit. However, he disputed that there were any cockroaches present when they vacated in December, and he disputed that they were responsible for the infestation. Tenant 1 also questioned the amount sought for cleaning and stated that they had cleaned the unit prior to vacating.

Analysis

17. In accordance with *Residential Tenancies Policy* 9-3, the applicant is required to show:

- *That the damage exists;*
- *That the respondent is responsible for the damage, through a willful or negligent act;*
- *The value to repair or replace the damaged item(s)*

18. In accordance with Section 9-3 of the *Policy* as stated above, I find that the landlord was able to show that the unit was left in a poor state of cleanliness, and I accept that the tenants were responsible for leaving the unit that way. I asked the landlord's representatives if the cockroach infestation originated in the tenant's unit, and they responded that they are confident that it had, and they added that the unit had to remain vacate for several weeks after the tenancy ended to ensure the infestation was dealt with properly. I accept the tenant's testimony that there weren't any visible signs of cockroaches in the unit when they vacated, however that does not mean that they were not there. I do not accept the tenant's testimony that the infestation did not originate in their unit and based on the invoice entered into evidence from [REDACTED] I find that the landlord was able to show the cost to clean the unit and restore it to the way it was prior to the tenancy. For those reasons, I find that the tenants are responsible for the cost to clean the unit in the amount of \$1092.50.

Decision

19. The landlord's claim for *compensation for damages* succeeds in the amount of \$1092.50.

Issue # 3: Other (Administrative fee) \$218.50

Landlord's and tenant's positions

20. The landlord's representative testified that the tenants agreed to pay an administrative fee of 20% of any charges billed to them as per *Schedule B* of the rental agreement (LL#4). The landlord's representative stated that they are seeking \$218.50 in administrative costs. Tenant 1 disputed agreeing to any such clause in the rental agreement.

Analysis

21. I find that *Schedule B* of the rental agreement is clear and unambiguous and as it was determined in paragraph 19 above that the tenants are responsible for cleaning charges billed to the landlord, I find that the tenants are responsible for the landlord's administrative costs in the amount of \$218.50 (\$1092.50 x 20%).

Decision

22. The landlord's claim for *Other* succeeds in the amount of \$218.50.

Issue # 4: Hearing Expenses \$20.00

23. The landlord paid an application fee of \$20.00 to *Residential Tenancies* and submitted a copy of the receipt to support the claim (LL#5). In accordance with Section 12-1 of the *Residential Tenancies Policy Manual*, filing fees can be claimable costs. As the landlord's claim for losses has been successful, I find that the tenants are responsible for the hearing expenses.

Decision

24. The landlord's claim for *hearing expenses* success in the amount of \$20.00.

Issue # 5: Security deposit plus interest applied against monies owed \$479.75

Analysis

25. Section 14 of the *Residential Tenancies Act, 2018* deals with security deposits, and the relevant subsections state:

Security deposit

14. (8) A security deposit is not an asset of the landlord but is held by the landlord in trust and may be used, retained or disbursed only as provided in this section.
- (9) Not later than 10 days after the tenant vacates the residential premises, the landlord shall return the security deposit to the tenant unless the landlord has a claim for all or part of the security deposit.
- (10) Where a landlord believes he or she has a claim for all or part of the security deposit,
 - (a) the landlord and tenant may enter into a written agreement on the disposition of the security deposit; or
 - (b) the landlord or the tenant may apply to the director under section 42 to determine the disposition of the security deposit.
- (11) Where a tenant makes an application under paragraph (10)(b), 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 under paragraph (10)(b).
- (12) A landlord who does not make an application in accordance with subsection (11) shall return the security deposit to the tenant.

26. The landlord's claim for losses has been successful as per paragraphs 14, 19, 22 and 24 above and as such the security deposit shall be applied against monies owed. Pursuant to the *Residential Tenancies Act, 2018* the landlord must pay interest on a security deposit to a tenant for the entire period that the landlord has had the security deposit.

The interest is calculated as simple interest and is not compounded. The annual interest rate for 2020-2023 was 0% and is currently 1% for 2024 and 2025.

Decision

27. The landlord's claim to have the security deposit plus interest applied against monies owed succeeds in the amount of \$481.39.

Summary of Decision

28. The tenants shall pay the landlord \$894.61 as follows:

Late fees paid	\$45.00
Compensation for damages	1092.50
Other (admin fees)	218.50
Hearing expenses	20.00
Less: security deposit & interest	481.39
 Total	 \$894.61

May 8, 2025

Date

Pamela Pennell, Adjudicator
Residential Tenancies Office