

Residential Tenancies Tribunal

Application 2025-0384-NL

Seren Cahill
Adjudicator

Introduction

1. Hearing was held on 2-June-2025 at 1:45 pm.
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 respondent acknowledged that they were properly served notice of the hearing.

Issues before the Tribunal

5. What is the proper disposition of the security deposit?

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 the \$500.00 security deposit she paid to the landlord on or about 7-January-2025. The landlord opposes the return of the security deposit on the basis that the tenant did not provide notice of termination and wishes to keep the deposit as rent in lieu of notice.
8. Security deposits are governed by s. 14 of the *Act*. S. 14(11) states 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 a counter application. S. 14(12) states that a landlord who does not make an application in accordance with subsection (11) shall return the security deposit to the tenant.

9. The landlord acknowledged that they were served the tenant's application more than 10 days before the hearing. At the time of the hearing, they had not submitted an application against the security deposit. Therefore, the security deposit must be returned to the tenant.
10. 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 interest rate of 1% annual for the year 2025. Calculated to the date of the hearing, this results in interest totaling \$2.01.

Decision

11. The landlord shall pay to the tenant \$502.01 in a return of security deposit plus interest.

7-August-2025
Date


Seren Cahill
Residential Tenancies Office