

## Residential Tenancies Tribunal

Application 2025-0390-NL

Pamela Pennell  
Adjudicator

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### Introduction

1. Hearing was called at 1:59 p.m. on 3-June-2025.
2. The applicants, [REDACTED] and [REDACTED], hereinafter referred to as "the landlords" attended by teleconference.
3. Respondent 1, [REDACTED], hereinafter referred to as "the tenant" attended by teleconference. Respondent 2, [REDACTED] hereinafter referred to as "the tenant" did not attend.

### Preliminary Matters

4. The landlords submitted 2 affidavits with their application stating that they had served the tenants electronically via email to; [REDACTED] and [REDACTED] on 16-May-2025 (LL#1). Respondent 1 confirmed receipt of the document on that date and the landlord submitted proof that respondent 2 was served properly. In accordance with the *Residential Tenancies Act, 2018* this is good service.
5. There was a term rental agreement which commenced on 16-December-2024. The tenants vacated the unit on 13-May-2025. Rent was \$2500.00 per month, due on the 1st day of each month. A security deposit of \$1875.00 was paid on 16-December-2024 and is in the landlord's possession.
6. The landlords amended the application to decrease *rent paid* from \$5000.00 as per the application to \$3568.47, to decrease the amount sought for "Other" from \$396.73 to \$231.13 and to include hearing expenses.

### Issues before the Tribunal

7. The landlords are seeking:
  - Rent paid \$3568.47
  - Late fees paid \$102.00
  - Other (cleaning) \$231.13
  - Hearing expenses \$20.00
  - Security deposit to be applied against monies owed \$1875.00

## 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*.
9. 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 2-4: Deposits, payments and fees and Section 12-1: Recovery of costs.

### Issue # 1: Rent Paid \$3568.47

#### Relevant submission

10. The landlords testified that rent is outstanding in the amount of \$3568.47 and they submitted a copy of a rental ledger to support the claim (LL#2). See breakdown of rental ledger below:

Rental Ledger 2025-0390-NL			
Date	Action	Amount	Total
March 31, 2025	Balance	\$0.00	\$0.00
April 1, 2025	Rent due	\$2,500.00	\$2,500.00
May 1-13, 2025	Rent due (13 days)	\$1,068.47	\$3,568.47

#### Landlord's and Tenant's Positions

11. The landlords testified that they gave notice to the tenants to vacate on 13-May-2025 due to non-payment of rent and they are seeking rent to be paid up to that date. Respondent 1 did not dispute that rent was in arrears for the month of April and up to the 13<sup>th</sup> of May.

#### Analysis

12. Non-payment of rent is a violation of the rental agreement. Rent is required to be paid by a tenant(s) during the use or occupancy of a residential premises. As respondent 2 did not dispute the landlord's claim for rent, I find that the tenants are responsible for outstanding rent from 1-April to 13-May in the amount of \$3568.47 (daily rate: \$2500 x 12 mths = \$30,000 / 365 days = \$82.19 per day).

#### Decision

13. The landlord's claim for *rent paid* succeeds in the amount of \$3568.47.

### Issue # 2: Late Fees \$102.00

#### Landlord's and tenant's Positions

14. The landlords testified that they are seeking late fees for the month of April and up to 13-May in the amount of \$102.00. Respondent 2 did not dispute the landlord's claim for applicable late fees.

## Analysis

15. 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.*

16. *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.*

17. As respondent 2 did not dispute the landlord's claim for late fees, I find that the tenants are responsible for the applicable late fee charges. In accordance with Section 15 of the Act and Sec 12-1 of the *Policy* as stated above, landlords can only charge a maximum of \$75.00 in any consecutive number of rental periods where rent is unpaid. I find that the tenants are responsible for the maximum allowable late payment fee of \$75.00.

## Decision

18. The landlord's claim for *late fees paid* succeeds in the amount of \$75.00.

## **Issue # 3: Other (Cleaning) \$231.13**

### Landlord's and Tenant's Positions

19. The landlords testified that the unit needed to be cleaned after the tenants vacated and they are seeking \$231.13 to cover the cost of cleaning. Respondent 2 did not dispute the landlords claim that the unit needed cleaning, nor did he dispute the amount sought by the landlords.

## Analysis

20. As the tenant did not dispute the landlord's claim for cleaning, I find that the tenants are responsible for the cost of cleaning in the amount of \$231.13.

## Decision

21. The landlord's claim for "Other" (cleaning) succeeds in the amount of \$231.13.

## **Issue # 4: Hearing expenses \$20.00**

22. The landlords paid an application fee of \$20.00 to *Residential Tenancies* and they submitted a copy of the receipt to support the claim (LL#3). In accordance with Section 12-1 of the *Residential Tenancies Policy Manual*, filing fees can be claimable costs and as the landlord's claim for losses has been successful, I find that the tenants are responsible for the hearing expenses.

## Decision

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

### **Issue # 5: Security deposit applied against monies owed \$1875.00**

#### **Analysis**

24. Section 14 of the *Residential Tenancies Act, 2018* states:

#### **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).*

25. The landlord's claim for losses has been successful as per paragraphs 13, 18, 21 and 23 above, and as such I find that the landlord's claim to have the security deposit applied against monies owed succeeds. 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 2024-2025 is currently 1%.

## Decision

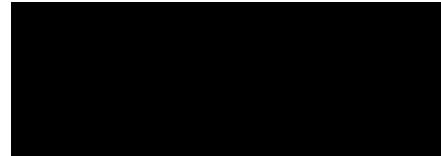
26. The landlord's claim to have the *security deposit applied against monies owed* succeeds.

## Summary of Decision

27. The tenants shall pay the landlords \$2010.82 as follows:

Rent paid .....	\$3568.47
Late fees .....	75.00
Other .....	231.13
Hearing expenses .....	20.00
<b>Less: security deposit &amp; interest.....</b>	<b>1883.78</b>

Total ..... \$2010.82



June 5, 2025

Date

Pamela Pennell, Adjudicator  
Residential Tenancies Office