

Residential Tenancies Tribunal

Application 2023-0447-NL

Decision 23-0447-00

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 11:14 a.m. on 21-June-2023.
2. The applicant, [REDACTED], represented by [REDACTED] hereinafter referred to as “the landlord” attended by teleconference.
3. The respondents, [REDACTED] and [REDACTED], hereinafter referred to as “the tenants” did not attend.

Preliminary Matters

4. The tenants were not present or represented at the hearing and I was unable to reach them by telephone at the start of the hearing. 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 the hearing 10 clear days prior to the hearing date and, where the respondent fails 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 2 separate affidavits with their application stating that they had served the tenants with the notice of hearing on 9-June-2023 electronically by texting it to; [REDACTED] and [REDACTED] (LL#1). The landlord submitted proof of sent text messages (LL#2). 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 his absence.
5. The landlord states that there was a written fixed rental agreement which commenced on 1-June-2022 (LL#3). Rent is \$1800.00 due on the first day of each month. The landlord states that a security deposit of \$1350.00 was paid on 1-June-2022 and is still in the company’s possession.

6. The landlord amended the application to decrease rent from \$2700.00 as per the application to \$1400.00 to include payments made in May and June and rent owed for June. As this file is for termination of tenancy the security deposit will be applied to monies owed. The landlord is seeking hearing expenses reimbursed.

Issues before the Tribunal

7. The landlord is seeking:
- Rent paid \$1400.00
 - Late fees \$75.00
 - Vacant possession of rental premises
 - Hearing expenses \$20.00

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 19: Notice where failure to pay rent, Section 14: Security deposit and Section 15: Late fees.

Issue 1: Rent Paid \$1400.00

Relevant Submissions

10. The landlord testified that rent is outstanding in the amount of \$1400.00 and in support of the claim submitted a rental ledger (LL#3) as follows:

2023-0447-NL			
Date	Action	Amount	Total
March 31, 2023	Balance		\$0.00
April 1, 2023	rent due	\$1,800.00	\$1,800.00
April 5, 2023	Payment	-\$900.00	\$900.00
May 1, 2023	rent due	\$1,800.00	\$2,700.00
May 11, 2023	Payment	-\$900.00	\$1,800.00
May 17, 2023	Payment	-\$1,100.00	\$700.00
June 1, 2023	rent due	\$1,800.00	\$2,500.00
June 3, 2023	Payment	-\$1,100.00	\$1,400.00

Analysis

11. Non-payment of rent is a violation of the rental agreement. The landlord stated that there is rental arrears in the amount of \$1400.00.
12. The rental ledger is amended to show a daily rate for June as this tribunal doesn't consider future rent (see below). I find that the tenants are responsible for outstanding rent dating back as far as 1-April-2023 (last zero balance) to 31-May-2023 in the amount of \$700.00 and rent from 1-June to 21-June in the amount of \$1242.78 less a payment on 3-June-2023 of \$1100.00 for a total of \$842.78 and then a daily rate shall apply as calculated below:

2023-0447-NL			
Date	Action	Amount	Total
March 31, 2023	Balance		\$0.00
April 1, 2023	rent due	\$1,800.00	\$1,800.00
April 5, 2023	Payment	-\$900.00	\$900.00
May 1, 2023	rent due	\$1,800.00	\$2,700.00
May 11, 2023	Payment	-\$900.00	\$1,800.00
May 17, 2023	Payment	-\$1,100.00	\$700.00
June 1-21, 2023	rent due	\$1,242.78	\$1,942.78
June 3, 2023	Payment	-\$1,100.00	\$842.78

Daily rate: $\$1800 \times 12 = \21600
 $\$21600 / 365 \text{ days} = \59.18 per day

13. I find the tenants shall pay the landlord \$842.78 in outstanding rent for the period of 1-April to 21-June and then a daily rate of \$59.18 shall be applied.

Decision

14. The landlord's claim for rental arrears succeeds.

Issue # 2: Late fees \$75.00

15. The landlord is seeking late fees in the amount of \$75.00.

Analysis

16. 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.*

The minister has prescribed the following:

Where a tenant has not paid the rent for a rental period within the time specified in the Rental Agreement, the landlord may assess a late payment fee not to exceed

(a) \$5.00 for the first day the rent is in arrears, and

(b) \$2.00 for each additional day the rent remains in arrears in any consecutive number of rental payment periods to a maximum of \$75.00

Decision

17. The maximum rate of \$75.00 is allowable.

Issue # 3: Vacant Possession of Rented Premises

Relevant submissions:

18. The landlord submitted a termination Notice under Section 19; failure to pay rent. The notice was signed and dated for 3-May-2023, with a termination date of 14-May-2023 (LL#4).

Analysis

19. Section 19 of the *Residential Tenancies Act, 2018* states:

a. **Notice where failure to pay rent**

b. **19. (1) Notwithstanding subsection 18(2) and paragraph 18(3)(b),**

i. **(b) where the residential premises is**

(i) **rented from *month to month*,**

(ii) **rented for a fixed term, or**

(iii) **a site for a mobile home, and**

c. **the amount of rent payable by a tenant is *overdue for 5 days or more*, the landlord may give the tenant notice that the rental agreement is terminated and that the tenant is required to vacate the residential premises on a specified date not less than 10 days after the notice is served on the tenant.**

i. **(4) In addition to the requirements under section 34, a notice under this section shall**

(a) **be signed by the landlord;**

(b) **state the date on which the rental agreement terminates and the tenant is required to vacate the residential premises; and**

(c) **be served in accordance with section 35.**

20. The tenants were in rent arrears in excess of the 5 days when the notice was served. On the date of termination, 14-May-2023 the tenants were still in arrears. The termination notice meets the requirements of the Act and is a valid notice.

21. I find the tenants should have vacated the premises by 14-May-2023.

Decision

22. The landlord's claim for an order for vacant possession succeeds.

23. The tenants shall vacate the premises immediately

24. The tenants shall pay to the landlord any costs charged to the landlord by the Office of the High Sheriff should the landlord be required to have the Sheriff enforce the attached Order of Possession.

25. As this tribunal does not consider future rent, the tenants shall pay a daily rate for rent beginning 22-June-2023 in the amount of \$59.18 a day as outlined in paragraph 12, until such time as the landlord regains possession of the property.

Issue # 4: Security deposit applied to monies owed \$1350.00

Analysis

26. The landlord's claim for losses has been successful as per paragraph 13, and they shall retain the deposit as per Section 14 of the *Residential Tenancies Act, 2018*, see below:

Security deposit

14. (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.

27. The landlord did not seek to have the security deposit applied against monies owed however as this file is for termination of tenancy the security deposit will be applied to monies owed.

Decision

28. A partial amount of the security deposit will be applied against payment owed and the balance will remain with the landlord until tenancy ends.

Hearing Expenses

29. The landlord paid an application fee of \$20.00. The landlord submitted a copy of the application receipt (LL#5). As the landlord's claim has been successful, the tenant shall pay the \$20.00. The landlord's claim for hearing expenses succeeds in the amount of \$20.00.

Summary of Decision

30. The tenants shall:

Pay the landlord \$0.00 as follows:

Rent	\$842.78
Late fees	75.00
Hearing expenses	20.00
Less: Partial Security deposit	(937.78)
Total	<u>\$0.00</u>

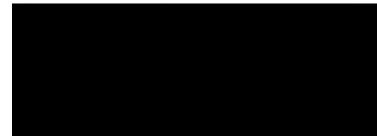
31. Orders that the tenants pay a daily rate of rent beginning 22-June-2023 of \$59.18, until such time as the landlord regain possession of the property.

32. Vacate the property immediately

33. Pay to the landlord any costs charged to the landlord by the Office of the High Sheriff should the landlord be required to have the Sheriff enforce the attached Order of Possession.

34. The landlord will be awarded an Order of Possession.

July 11, 2023
Date



Pamela Pennell, Adjudicator
Residential Tenancies Office