

## **Residential Tenancies Tribunal**

Application 2024-0092-NL

Decision 24-0092-00

Pamela Pennell  
Adjudicator

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### **Introduction**

1. Hearing was called at 1:56 p.m. on 21-February-2024.
2. The applicant, [REDACTED] represented by [REDACTED] hereinafter referred to as “the landlord” attended by teleconference.
3. The respondent, [REDACTED] hereinafter referred to as “the tenant” did not attend.

### **Preliminary Matters**

4. The tenant was not present or represented at the hearing and I was unable to reach her 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 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 she has been properly served. The landlord submitted an affidavit with their application stating that they had served the tenant with the notice of hearing electronically by email to; [REDACTED] on 8-February-2024 (LL#1). The landlord also submitted proof of sent email and proof of email address (LL#1). In accordance with the *Residential Tenancies Act, 2018* this is good service. As the tenant was properly served, and as any further delay in these proceedings would unfairly disadvantage the landlord, I proceeded with the hearing in her absence.
5. There is a written term rental agreement which commenced on 1-May-2022. Rent is \$1225.00 per month due on the first of each month. A security deposit of \$881.25 was paid on 16-March-2022 and is in the landlord’s possession.
6. The landlord amended the application to decrease rent from \$1225.00 as per the application to \$550.00 as payments have been made, to increase late fees from \$53.00 to the maximum allowable of \$75.00, to apply the security deposit against monies owed and to seek hearing expenses.

## Issues before the Tribunal

7. The landlord is seeking:
  - An Order for Vacant Possession of the rented premises.
  - Rent paid and late fees \$625.00
  - Hearing expenses \$20.00
  - Security deposit applied against monies owed \$881.25

## 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 19: Notice where failure to pay rent. Also, relevant and considered is Section 12-1 of the *Residential Tenancies Policy Manual*: Fees.

### Issue # 1: Vacant Possession of the Rented Premises

#### Relevant Submissions:

10. The landlord submitted a termination notice under Section 19: Notice where failure to pay rent. The notice is signed and dated for 11-January-2024, with a termination date of 24-January-2024 (LL#2).

#### Landlord's Position:

11. The landlord's representative testified that rent has been in arrears since 1-January-2024, and although payments have been made the tenant continued to carry a negative balance resulting in an outstanding amount of \$550.00 plus late fees of \$75.00.

## Analysis

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

### ***Notice where failure to pay rent***

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

***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.***

***(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.

13. The tenant was in rent arrears in excess of the 5 days when the termination notice was served. On the date of termination, 24-January-2024 the tenant was still in arrears. In accordance with Section 19 of the *Residential Tenancies Act, 2018* as stated above, the termination notice meets the requirements of the *Act* and is a valid notice.

14. I find that the tenant should have vacated the property by 24-January-2024.

### **Decision**

15. The landlord's claim for an order for vacant possession of the rented premises succeeds.

### **Issue # 2: Rent Paid & Late Fees \$625.00**

#### Relevant Submission

16. The landlord's representative testified that rent and late fees are outstanding in the amount of \$625.00 dating back to January 2024. The landlord submitted a copy of the rental ledger to support their claim (LL#3). See breakdown of ledger below:

Rental Ledger 2024-0092-NL			
Date	Action	Amount	Total
December 31, 2023	Balance	\$0.00	\$0.00
January 1, 2024	Rent due	\$1,225.00	\$1,225.00
January 11, 2024	Late fees	\$23.00	\$1,248.00
January 26, 2024	Late fees	\$30.00	\$1,278.00
February 1, 2024	Rent due	\$1,225.00	\$2,503.00
February 2, 2024	Payment	-\$1,300.00	\$1,203.00
February 20, 2024	Late fees	\$22.00	\$1,225.00
February 20, 2024	Payment	-\$600.00	\$625.00

#### Landlord's Position

17. The landlord's representative testified that rent and late fees combined are outstanding in the amount of \$625.00 for the period of 1-January to 29-February-2024. The landlord is seeking rent to be paid in full.

### **Analysis**

18. 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*

19. *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.*

20. Non-payment of rent is a violation of the rental agreement. Rent is required to be paid under a rental agreement by a tenant during the use or occupancy of a residential premises.

21. The rental ledger is amended to show a daily rate for February as this tribunal does not consider future rent (see below). I find that the tenant is responsible for outstanding rent from 1-January to 21-February in the amount of \$243.36.

Rental Ledger 2024-0092-NL			
Date	Action	Amount	Total
December 31, 2023	Balance	\$0.00	\$0.00
January 1, 2024	Rent due	\$1,225.00	\$1,225.00
January 11, 2024	Late fees	\$23.00	\$1,248.00
January 26, 2024	Late fees	\$30.00	\$1,278.00
February 1-21, 2024	Rent due	\$843.36	\$2,121.36
February 2, 2024	Payment	-\$1,300.00	\$821.36
February 20, 2024	Late fees	\$22.00	\$843.36
February 20, 2024	Payment	-\$600.00	\$243.36

Daily rate:  $\$1225 \times 12 \text{ mths} = \$14700$   
 $\$14700 / 366 \text{ days} = \$40.16 \text{ per day}$

22. The landlord's rental ledger shows that the tenant has been in arrears since 1-January-2024. I find that the maximum allowable late fee of \$75.00 as set by the Minister is a legitimate charge as stated above.

23. I find that the tenant is responsible for outstanding rent and late fees combined in the amount of \$243.36 for the period of 1-January to 21-February-2024.

24. The tenant shall pay a daily rate of \$40.16 until such time as the landlord regains possession of the property.

**Decision**

25. The landlord's claim for rent and late fees succeeds in the amount of \$243.36.

**Issue # 3: Hearing expenses \$20.00**

26. The landlord paid an application fee of \$20.00 to *Residential Tenancies* and provided a copy of the receipt (LL#4).

27. As the landlord's claim has been successful, the tenant shall pay the \$20.00.

**Decision**

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

**Issue # 4: Security deposit applied against monies owed \$881.25**

**Analysis**

29. 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).

30. The landlord's claim for losses has been successful as per paragraphs 25, and 28 and as such the security deposit shall be applied against monies owed.

**Decision**

31. The landlord's claim for security deposit to be applied against monies owed succeeds.

## **Summary of Decision**

32. The tenant shall pay the landlord \$0.00 as follows:

Rent & late fees.....	\$243.36
Hearing expenses.....	20.00
<b>Less Partial Security deposit .....</b>	<b>\$263.36</b>
<b>Total.....</b>	<b><u>\$0.00</u></b>

33. The tenant shall pay a daily rate of rent beginning 22-February-2024 of \$40.16, until such time as the landlord regains possession of the property.

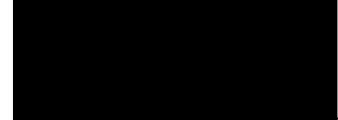
34. The tenant shall vacate the property immediately.

35. The tenant 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.

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

February 27, 2024

Date



Pamela Pennell  
Residential Tenancies Office