

## Residential Tenancies Tribunal

Application 2024-0530-NL

Pamela Pennell  
Adjudicator

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### Introduction

1. Hearing was called at 9:03 a.m. on 23-July-2024.
2. The applicants, [REDACTED] (applicant 1) and [REDACTED] (applicant 2), hereinafter referred to as “the landlords” attended by teleconference.
3. The respondents, [REDACTED] (respondent 1) and [REDACTED] (respondent 2), hereinafter referred to as “the tenants” attended by teleconference.
4. Part 3 of the application was amended to update respondent 2’s surname from [REDACTED] to [REDACTED] as she confirmed that [REDACTED] is her legal name.

### Preliminary Matters

5. The landlords submitted an affidavit with their application stating that they had served the tenants separately with the notice of hearing electronically by email to; [REDACTED] and [REDACTED] on 10-July- 2024 (LL#1). The tenants confirmed receipt of the documents on that date. In accordance with the *Residential Tenancies Act, 2018*, this is good service.
6. There was a written month-to-month rental agreement which commenced on 1-December-2019. The tenants vacated the unit on 31-May-2024. Rent was \$1500.00 per month, due on the 1st and the 15<sup>th</sup> day of each month. A security deposit of \$600.00 was paid on 7-November-2019 and is in the landlord’s possession.
7. The landlords amended the application to decrease the amount claimed for *compensation for damages* from \$12,594.20 as per the application to \$7,877.71 and to decrease the amount sought for *utilities paid* from \$100.00 to \$22.67.

### Issues before the Tribunal

8. The landlords are seeking:
  - a. Rent & late fees paid \$1033.00
  - b. Utilities paid \$22.67
  - c. Compensation for damages \$7877.71

- d. Other \$234.55
- e. Security deposit applied against monies owed \$600.00

## Legislation and Policy

9. The jurisdiction of the Director of Residential Tenancies is outlined in Sections 46 and 47 of the *Residential Tenancies Act, 2018*.
10. 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, Section 9-5: Life expectancy of property and Section 12-1: Recovery of costs.

## Issue # 1: Rent & Late Fees Paid \$1033.00

### Relevant Submission

11. The landlords testified that rent is outstanding in the amount of \$905.00 dating back to 1-April-2024 and late fees have accumulated during that period in the amount of \$128.00. The landlord's submitted a copy of the rental ledger to support the claim (L#2). See breakdown of rental ledger below:

| Rental Ledger 2024-530-NL |          |           |          |
|---------------------------|----------|-----------|----------|
| Date                      | Action   | Amount    | Total    |
| March 31, 2024            | Balance  |           | \$0.00   |
| April 1, 2024             | Rent due | \$750.00  | \$750.00 |
| April 1, 2024             | Payment  | -\$650.00 | \$100.00 |
| April 15, 2024            | Rent due | \$750.00  | \$850.00 |
| April 15, 2024            | Payment  | -\$475.00 | \$375.00 |
| April 18, 2024            | Payment  | -\$220.00 | \$155.00 |
| May 1, 2024               | Rent due | \$750.00  | \$905.00 |
| May 2, 2024               | Payment  | -\$750.00 | \$155.00 |
| May 15, 2024              | Rent due | \$750.00  | \$905.00 |

### Landlord's and Tenant's Positions

12. The landlords testified that rent is outstanding in the amount of \$905.00 dating back to the beginning of April 2024 and that late fees have accumulated since that time in the amount of \$128.00. The landlords are seeking rent and late fees to be paid in full. The respondents did not dispute that rent is outstanding in the amount of \$905.00 nor did they dispute that they are responsible for late fees.

## Analysis

13. 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*

14. *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.*

15. Non-payment of rent is a violation of the rental agreement. Rent is required to be paid under a rental agreement by a tenant(s) during the use or occupancy of a residential premises. The respondents did not dispute that rent is outstanding in the amount of \$905.00 nor did they dispute that late fees are due. In accordance with Section 15 of the *Act* as stated above, late fees can only be charged to a maximum of \$75.00 in any consecutive number of rental periods where rent is in arrears. For this reason, I find that the tenants are responsible for the outstanding rent and late fees in the amount of \$980.00.

**Decision**

16. The landlord's claim for rent and late fees paid succeeds in the amount of \$980.00.

**Issue # 2: Utilities Paid \$22.67**

Landlord's and Tenant's Positions

17. The landlords testified that the electricity was transferred back to their *NL Power* account effective 20-May-2024 and applicant 1 stated that they are seeking a prorated amount of \$22.67 for 11 days. The landlord's submitted a copy of the utility bill to support the claim (LL#3). The tenants did not dispute that they transferred the utilities from their names while they were still residing at the unit, nor did they dispute the claim for \$22.67.

**Analysis**

18. Landlords should not incur any financial loss due to the actions of tenants and as the tenants did not dispute that they transferred the account to the landlords, nor did they dispute that they should pay the utility bill, I find that the tenants are responsible for the outstanding utility bill in the amount of \$22.67.

**Decision**

19. The landlord's claim for utilities paid succeeds in the amount of \$22.67.

### Issue # 3: Compensation for Damages \$7877.71

#### Relevant Submission

20. The landlord's testified that there are damages / losses to the rental unit and submitted a copy of the damages ledger to support the claim (LL#4). The landlord's amended the amount sought for damages during the hearing. See breakdown of amended damages ledger below:

| Damages Ledger 2024-530-NL          |            |            |
|-------------------------------------|------------|------------|
| Damages / losses                    | Amount     | Total      |
| Broken window - living room         | \$700.00   | \$700.00   |
| Kitchen Flooring                    | \$650.00   | \$1,350.00 |
| Window hardware                     | \$200.00   | \$1,550.00 |
| Door - supply & install             | \$69.00    | \$1,619.00 |
| Bi-fold door - hardware replacement | \$50.00    | \$1,669.00 |
| Paint & Plaster                     | \$3,214.51 | \$4,883.51 |
| Landscaping                         | \$1,000.00 | \$5,883.51 |
| Labor costs                         | \$1,994.20 | \$7,877.71 |

#### Landlord's Position

21. The landlord's testified that there were damages / losses to the rental unit as a result of negligence on the part of the tenants and they are seeking compensation in the amount of \$7877.71. The landlord's position on each item is as follows:

**Item # 1: Broken window in living room (\$700.00)** – The landlords testified that the windowpane in the living room was cracked from the inside and the sealed unit needs to be replaced. The landlords submitted a photograph of the windowpane to support the claim (LL#5) and a copy of a quote to have the work completed (LL#6).

**Item # 2: Kitchen flooring (\$650.00)** – The landlords testified that the flooring in the kitchen and dining room area was destroyed and needed to be replaced. Applicant 1 testified that the materials cost \$450.00, and they are claiming 8.5 hours of self-labor at \$23.60 per hour to complete the work. The landlords submitted photographs of the flooring to support the claim (LL#7) and a copy of a receipt to show the cost of materials (LL#8).

**Item # 3: Window hardware (\$200.00)** – The landlords testified that the hardware on 2 of the windows (primary bedroom and living room) were stripped out as a result of over exertion. The landlord's submitted a copy of a receipt to show the cost to replace the hardware (LL#9).

**Item # 4: Door (\$116.20)** – The landlords testified that the door in the primary bedroom was damaged and needed to be replaced. The landlords submitted a photograph of the door to support the claim (LL#10). Applicant 1 stated that the door cost \$69.00 and they are seeking 2 hours of self-labor at \$23.60 per hour.

**Item # 5: Bi-fold door (\$50.00)** - The landlords testified that the bi-fold door located in the back bedroom was damaged and needed to be replaced. The landlords submitted a photograph of the door to support the claim (LL#11). The landlords are seeking \$50.00 to replace the door.

**Item # 6: Paint & plaster (\$3214.51)** - The landlords testified that there was a lot of damage to the walls and the entire unit needed to be plastered and painted. Applicant 1 stated that there was sticky stuff on the walls and holes everywhere. The landlords are seeking \$382.51 for materials and \$2832.00 for 120 hours of self-labor at \$23.60 per hour to complete the work. The landlords submitted photographs of the walls (LL#12) and copies of receipts to support the claim (LL#13).

**Item # 7: Landscaping (\$1000.00)** – The landlords testified that the grass was destroyed, and the landscaping needed repair work. Applicant 1 testified that there was a lot of stuff left on the grass like the remains of a gazebo that had fallen down. Applicant 1 testified that there was dog feces everywhere and stated that they received a verbal quote in the amount of \$1000.00 to have the landscaping restored. The landlords submitted photographs of the yard to support the claim (LL#14).

**Item # 8: Labor costs (\$1947.00)** – The landlords testified that they had to complete a lot of work in and around the property which took many hours of self-labor and a trip to the landfill. The landlords submitted photographs of the cleanliness of the property (LL#15) and broke down the hours and duties as follows (LL#16):

| Break-down of labor costs 2024-530-NL   |            |            |
|---|------------|------------|
| Description of cleanup  | Amount     | Total      |
| Backyard clean up, shed repair and change locks (2 people @ 2 hrs x \$23.60 per hour)                                   | \$94.40    | \$94.40    |
| Loading the U-Haul with garbage (3 people @ 5 hours x \$23.60 per hour)   | \$354.00   | \$448.40   |
| Dump run (2 people @ 2 hours x \$23.60)   | \$94.40    | \$542.80   |
| Cleaning (33.5 hours in total with 3-4 people during some of the period for a total of 59.5 paid labor hours x \$23.60) | \$1,404.20 | \$1,947.00 |

#### Tenant's Position

22. The tenant's position on each item is as follows:

**Item # 1: Broken window in living room (\$700.00)** – The landlords testified that the windowpane in the living room was cracked from the inside and the sealed unit needs to be replaced. The tenants did not dispute that the window had a crack in the windowpane, however they disputed that they caused the damage and respondent 1 stated that the window had a stress fracture and the crack occurred as a result of a bird flying into the window.

**Item # 2: Kitchen flooring (\$650.00)** – The landlords testified that the flooring in the kitchen and dining area was destroyed and needed to be replaced. The respondents did not dispute that the vinyl tiles were damaged, however they disputed that they caused the damage. Respondent 1 testified that there had previously been a leak in the kitchen from the dishwasher and the subfloor which had gotten wet was not replaced when the new flooring was installed, resulting in spongy areas which caused the flooring to be weak. Respondent 1 stated that when you lay new flooring that is not reinforced, it will crack when walked on.

**Item # 3: Window hardware (\$200.00)** – The landlords testified that the hardware on 2 of the windows (primary bedroom and living room) were stripped out as a result of over exertion. The respondents disputed that they caused any damage to the hardware and testified that the damage existed when they took possession of the unit and respondent

1 stated that they made the landlord aware of the damage early spring when they attempted to open the windows. Respondent 1 stated that they never stretched the windows out too far and stated that it can get windy in the area and maybe the high winds were responsible for the damage.

**Item # 4: Door (\$116.20)** – The landlords testified that the door in the primary bedroom was damaged and needed to be replaced. The respondents did not dispute that they caused the damage, nor did they dispute the amount sought by the landlords.

**Item # 5: Bi-fold door (\$50.00)** - The landlords testified that the bi-fold door located in the back bedroom was damaged and needed to be replaced. The respondents did not dispute that they caused the damage to the bi-fold door, nor did they dispute the amount sought by the landlords.

**Item # 6: Paint & plaster (\$3214.51)** - The landlords testified that there were a lot of damages to the walls and the entire unit needed to be plastered and painted. Applicant 1 stated that there was sticky stuff on the walls and holes everywhere. The respondents did not dispute that the damage exists, however respondent 1 stated that they wish to have normal wear and tear taken into consideration.

**Item # 7: Landscaping (\$1000.00)** – The landlords testified that the grass was destroyed, and the landscaping needed repair work. Applicant 1 testified that there was a lot of stuff left on the grass like the remains of a gazebo that had fallen down. Applicant 1 testified that there was dog feces everywhere and stated that he received a verbal quote in the amount of \$1000.00 to have the landscaping restored. The respondents did not dispute that they left stuff in the backyard and stated that they had a tent set up. The respondents did however dispute that they should be responsible for any landscaping costs as applicant 1 stated that the grass will grow back on its own.

**Item # 8: Labor costs (\$1994.20)** - The landlords testified that they had to complete many hours of work in and around the property which took many hours of self-labor with help from friends and a trip to the landfill. The respondents did not dispute that there was a lot of cleaning needed in and around the property, however they disputed that they should be responsible for the cost as respondent 1 stated that the landlords were not fair to them and did not allow them a few extra days to get the work completed. Respondent 1 stated that they had people lined up to come on the weekend to help and requested that they could stay in the unit to get the work completed.

## Analysis

23. 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)*

24. Based on the testimony of the applicants and the respondents and the exhibits entered into evidence, the items were analyzed as follows:

**Item # 1: Broken window in living room (\$700.00)** – The landlords testified that the windowpane in the living room was cracked from the inside and the sealed unit needs to be replaced. The tenants did not dispute that the window had a crack in the windowpane, however, they disputed that they caused the damage and respondent 1 stated that the window had a stress fracture and the damage occurred as the result of a bird flying into the window. I asked applicant 1 if he was aware of the fact that the window had a stress fracture and he responded that he was aware. Applicant 1 identified

himself as a supervisor of a major residential construction company and stated that in his opinion, something had to touch the window or lean up against the window from the inside to cause the damage. Applicant 1 stated that the stress fracture alone would not cause the damage as the house is 30 years old and completely settled. In accordance with section 9.3 of the *Policy* as stated above, I accept that the landlords could show that the damage exists and they could show the value to repair the damage, however I find that the landlords were unable to show that the tenants were negligent in causing the damage. I accept that even if a person did lean against the window causing the damage, then the act of leaning against the window cannot be classified as a willful or negligent act. Both parties agreed that there was a stress fracture which means that a thermal gradient exists that could cause different parts of the glass to expand by different amounts and at some point, the stress of the expansion may overcome the strength of the glass, causing a crack to form. For those reasons, I find that the tenants are not responsible for the damage to the window and as such are not responsible for the cost to replace the sealed unit.

**Item # 2: Kitchen flooring (\$650.00)** – The landlords testified that the flooring in the kitchen and dining area was destroyed and needed to be replaced. The respondents did not dispute that the vinyl tiles were damaged, however they disputed that they caused the damage. Respondent 1 testified that there had previously been a leak in the kitchen from the dishwasher and the subfloor which had gotten wet was not replaced when the new flooring was installed, resulting in spongy areas which caused the flooring to be weak. Respondent 1 stated that when you lay new flooring that is not reinforced, it will crack when walked on. I asked the landlords if the subfloor was wet when the new tiles were installed and if this could impact the settling of the flooring and applicant 1 responded that the subfloor was completely dry and screwed down well when the new vinyl tiles were installed. Applicant 1 stated that there were no spongy areas, and that the subfloor did not cause the damage to the tiles. I asked the landlords what they thought caused the damage and applicant 1 responded that he don't really know but the flooring was beat up, cracked to pieces and it looked like things had been dropped on it. I asked the landlords the age of the flooring and applicant 1 responded that the new flooring was installed 1.5 years ago. In accordance with Section 9-5 of the *Residential Tenancies Policy*, vinyl tiles have a life expectancy of 50 years, which leaves approximately 48-49 years of its life cycle remaining. Based on the testimony at the hearing and the photographs entered into evidence, I find that the landlords were able to show that the damage exists, that the damage occurred due to a willful or negligent act on the part of the tenants and the cost to replace the flooring. As 97% of the flooring's life cycle remains, I find that the tenants are responsible for the cost to replace the flooring in the amount of \$630.50.

**Item # 3: Window hardware (\$200.00)** – The landlords testified that the hardware on 2 of the windows (primary bedroom and living room) were stripped out as a result of over exertion. The respondents disputed that they caused any damage to the hardware and testified that the damage existed when they took possession of the unit and respondent 1 stated that they made the landlord aware of the damage early spring when they attempted to open the windows. Respondent 1 suggested that maybe the continuous high winds in the area attributed to the damage to the windows hardware. In accordance with Section 9.3 of the *Policy* as stated above, I find that the landlords were unable to show that the damage was caused as the result of a willful or negligent act on the part of the tenants, and for that reason, I find that the tenants are not responsible for the cost to replace the hardware on the windows.

**Item # 4: Door (\$116.20)** – The landlords testified that the door in the primary bedroom was damaged and needed to be replaced. The respondents did not dispute that they caused the damage, nor did they dispute the amount sought by the landlords. For this reason, I find that the tenants are responsible for the cost to replace the door at \$116.20.

**Item # 5: Bi-fold door (\$50.00)** - The landlords testified that the bi-fold door located in the back bedroom was damaged and needed to be replaced. The respondents did not dispute that they caused the damage to the bi-fold door, nor did they dispute the amount sought by the landlords. For this reason, I find that the tenants are responsible for the cost to replace the bi-fold door in the amount of \$50.00.

**Item # 6: Paint & plaster (\$3214.51)** - The landlords testified that there were a lot of damages to the walls and the entire unit needed to be plastered and painted. The respondents did not dispute that the damage exists, however respondent 1 stated that they wish to have normal wear and tear taken into consideration. Based on the photographs entered into evidence, I find that the damage to the walls does not fall under normal wear and tear. I asked the landlords when was the last time that the unit was painted and applicant 1 responded that it was last painted in 2019 prior to the tenancy. Section 9-5 of the *Residential Tenancies Policy*: Depreciation and life expectancy of property is usually taken into consideration, however in this situation, I find that the level of damage to the walls was excessive and as a result the walls had to be plastered almost everywhere which means that the walls had to be painted whether or not the landlords wanted to freshen up the walls with new paint or not. For those reasons, I find that the tenants are responsible for the cost to repair the walls with plaster, and they are responsible for the full cost to paint the walls in the amount of \$3214.51.

**Item # 7: Landscaping (\$1000.00)** – The landlords testified that the grass was destroyed, and the landscaping needed repair work. Applicant 1 testified that there was a lot of stuff left on the grass like the remains of a gazebo that had fallen down. Applicant 1 testified that there was dog feces everywhere and stated that they received a verbal quote in the amount of \$1000.00 to have the landscaping restored. The respondents did not dispute that they left stuff in the backyard and stated that they had a tent set up. The respondents did however dispute that they should be responsible for any landscaping costs as applicant 1 stated that the grass will grow back on its own. Based on the photographs entered in evidence, I accept that the grass certainly needed to be mowed and that there are a few patches of dead grass, however in accordance with Section 9-3 of the *Policy* as stated above, the landlords were unable to show the cost to restore the landscaping to the way it was prior to the tenancy. The rental agreement (part 7) indicates that the grass cutting was the responsibility of the landlords. The landlords stated that they received a verbal quote of \$1000.00 to have the work completed. Verbal quotes do not hold much weight, however given that the tenants did not dispute that they caused the patches of dead grass, an award of some amount is warranted. Research shows that a fertilizer treatment can be applied by a professional at an average cost of \$300.00. (research was taken from [www.weedman.com](http://www.weedman.com) ). I find that it is reasonable for the tenants to pay \$300.00 for the cost to restore the landscaping.

**Item # 8: Labor costs for cleaning (\$1994.20)** - The landlords testified that they had to complete a lot of cleanup work in and around the property which took several hours of self-labor with help from others and a trip to the landfill. The respondents did not dispute that there was a lot of cleaning needed in and around the unit, however they disputed that they should be responsible for the cost as respondent 1 stated that the landlords were unfair to them and did not allow them a few extra days to get the cleaning completed. Respondent 1 stated that they had people lined up to come on the weekend to help clean and requested that they could stay in the unit for an extra couple of days. I asked the landlords how much notice the tenants had prior to move out and applicant 1 responded that the tenants had 3 months' notice to move. Based on the photographs entered into evidenced and based on the fact that the tenants had 3 months to prepare for the move, I find that the tenants had plenty of time to restore the unit to the way it was prior to the tenancy. Also, based on the photographs, I find that it is reasonable to



expect that it would take 4 hours to clean up the back yard. I also accept that it would take 3 people 5 hours to load all the garbage into the U-Haul and another 2 hours to drive to the landfill and unload the garbage. With regards to cleaning the interior of the unit, I accept that the condition that the unit was left in was excessive and I accept the landlord's breakdown of the daily hours for self-labor. I also accept the hourly rate of \$23.60 for self-labor to be an acceptable rate as per Section 9-3 of the *Policy*. For those reasons, I find that the tenants are responsible for the labor costs to clean the unit inside and out and remove all the garbage, take it to the landfill and to unload the garbage in the amount of \$1994.20.

## Decision

25. The landlord's claim for damages succeeds in the amount of \$6305.41.

## Issue # 4 Other \$234.55

### Relevant Submission

26. The landlords testified that they incurred "other expenses" in the amount of \$234.55 and submitted a list to support the claim (LL#16). See list below:

The claim for "Other" is for the following:

- \$ 137.21 - cost for rental of the U-Haul and gas to remove the garbage left behind
- \$ 77.34 - cost of cleaning supplies
- \$ 20.00 - cost to file this application

### Landlord's and Tenant's Position

27. The landlord's testified that they had to rent a U-Haul to remove the garbage from the property and applicant 1 stated that it cost \$137.21 for the rental fee plus gas. The landlord's submitted a copy of the receipts to support the claim (LL#17). The landlords testified that they had to purchase cleaning supplies in the amount of \$77.34 and submitted copies of the receipts to support the claim (LL#18). Finally, the landlords are seeking their hearing expenses in the amount of \$20.00 and submitted a copy of the receipt (LL#19). The respondents did not dispute the landlord's claim for the cost of a U-Haul and gas however they did dispute the claim for cleaning supplies and respondent 1 stated that the landlord's would most likely need cleaning supplies to touch up their unit.

## Analysis

28. The only issued disputed by the respondents is the cost of the cleaning supplies. Based on the photographs entered into evidence, I accept that the unit needed extensive cleaning and as such, I find that the tenants are responsible for the cost of the cleaning supplies in the amount of \$77.34. In addition, the landlords paid an application fee of \$20.00 to *Residential Tenancies* and in accordance with Section 12-1: *Recovery of fees*, filing fees are acceptable costs to claim. I find that the tenants are responsible for the cost of the U-Haul, the cost of gas, the cost of the cleaning supplies and the hearing expenses in the amount of \$234.55 as claimed by the landlords as "Other".

## Decision

29. The landlord's claim for "other expenses" succeeds in the amount of \$234.55.

## Issue # 5: Security deposit applied against monies owed \$600.00.

### Analysis

30. 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).*
31. The landlord's claim for losses has been successful as per paragraphs 16, 19, 25, and 29 and as such, the security deposit shall be applied against monies owed. Pursuant to the *Residential Tenancies Act, 2018* landlords must pay interest on a security deposit to tenants for the entire period that the landlords have had the security deposit. The interest is calculated as simple interest and is not compounded. The annual interest for 2019 -2023 was 0% and is currently 1% for 2024.

### Decision

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

## Summary of Decision

33. The tenants shall pay the landlords \$6939.25 as follows:

|                                       |           |
|---------------------------------------|-----------|
| Rent & late fees paid.....            | \$980.00  |
| Utilities paid .....                  | 22.67     |
| Compensation for damages .....        | 6305.41   |
| Other .....                           | 234.55    |
| Less security deposit & interest..... | 603.38    |
| Total .....                           | \$6939.25 |

September 6, 2024

Date



Pamela Pennell, Adjudicator  
Residential Tenancies Office