

Residential Tenancies Tribunal

Application 2024-0744-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 9:02 a.m. on 17-September-2024.
2. The applicants, [REDACTED] (applicant 1) and [REDACTED] (applicant 2), hereinafter referred to as "the tenants" attended by teleconference.
3. The respondent, [REDACTED], hereinafter referred to as "the landlord" did not attend. [REDACTED], property agent for the landlord attended by teleconference.

Preliminary Matters

4. The tenants submitted an affidavit with their application stating that they had served the landlord with the notice of hearing electronically by email to: [REDACTED] on 28-August-2024 (TT#1). The landlord's agent confirmed receipt of the document on that date. In accordance with the *Residential Tenancies Act, 2018*, this is good service.
5. There was a written month-to-month rental agreement that commenced on 1-June-2021. The tenants vacated the unit on 29-February-2024. Rent was \$945.00 per month, due on the first day of each month. A security deposit of \$555.00 was paid on 11-May-2021 and is in the landlord's possession.

Issues before the Tribunal

6. The tenants are seeking:
 - Refund of security deposit \$555.00
 - Refund of possessions (valued at \$75.00)
 - Hearing Expenses \$20.00

Legislation and Policy

7. The jurisdiction of the Director of Residential Tenancies is outlined in Sections 46 and 47 of the *Residential Tenancies Act, 2018*. Also, relevant and considered in this decision is the following section of the *Residential Tenancies Act, 2018*: Section 14: Security Deposit. Also, relevant and considered in this decision is the following section of the *Residential Tenancies Policy Manual*: 12-1: Recovery of Costs.

Issue # 1: Refund of Security Deposit \$550.00.

Analysis

8. 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).*
9. The landlord did not refund the security deposit to the tenants within the 10-day timeframe as outlined in Section 14 above. The landlord's agent confirmed that the security deposit was paid on 11-May-2021 and is still in the landlord's possession. As the security deposit is not an asset of the landlord, I find that the landlord shall refund the security deposit to the tenants.
10. Pursuant to the *Residential Tenancies Act, 2018* the landlord must pay interest on a security deposit to a tenant(s) 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 for 2021-2023 was 0% and is currently 1% for 2024.

Decision

11. The tenant's claim for *refund of security deposit* succeeds.

Issue # 2: Return of Possessions (valued at \$75.00)

Tenant's and landlord's Position

12. The tenants testified that they left a car key at the unit, and they wish to have the key returned to them and if it cannot be returned, they are seeking the value to have the key replaced in the amount of \$75.00. The landlord's agent was initially unsure if the key was in the unit but messaged that new tenant during the hearing and confirmed that the key is in the unit, and she stated that she will return the key to the tenants as soon as possible.

Decision

13. The tenant's claim for *return of possessions* succeeds.

Hearing Expenses \$24.59

14. The tenant's incurred the cost to file the application in the amount of \$20.00. Section 12-1 of the *Residential Tenancies Policy* states that in general, claimable costs may include the filing fees and as the tenant's claim has been successful, the landlord shall pay the hearing expenses.

Decision

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

Summary of Decision

16. The landlord shall return the tenant's car key.

17. The landlord shall pay the tenants \$578.97 as follows:

Refund of Security Deposit	\$555.00
Interest.....	3.97
Hearing expenses	20.00
 Total	 \$578.97

September 17, 2024

Date



Pamela Pennell, Adjudicator
Residential Tenancies Office