

Government of Newfoundland and Labrador Service NL

# **Residential Tenancies Tribunal**

Decision 20-0018-01

Michael Greene Adjudicator

### Introduction

- 1. The hearing was called at **9:45 am on 30 June 2020** at Residential Tenancies Hearing Room, 84 Mt. Bernard Avenue, Lower Level, The Sir Richard Squires Building, Corner Brook, Newfoundland and Labrador via Bell Teleconferencing System.
- 2. The applicant, **applicant**, hereafter referred to as landlord1 participated in the hearing. *(Affirmed)*
- 3. The applicant, **applicant**, hereafter referred to as landlord2 participated in the hearing. (*Affirmed*)
- 4. The respondent, **and the second se**
- 5. The respondent, **and the second se**
- 6. The details of the claim were presented as a written monthly agreement with rent set at \$1000.00 per month and due on the 1<sup>st</sup> of each month and a security deposit in the amount of \$500.00 was collected on or about 17 September 2015.
- 7. In a proceeding under the *Residential Tenancies Act*, *2018*, the applicants have the burden of proof. This means the applicants have the responsibility to prove that the outcome they are requesting should be granted. In these proceedings the standard of proof is referred to as the balance of probabilities which means the applicants have to establish that his/her account of events are more likely than not to have happened.

# **Preliminary Matters**

- 8. The tenants, **Sector** & **Sector**, were not present or represented at the hearing. The Tribunal's policies concerning notice requirements and hearing attendance has been adopted from the *Rules of the Supreme Court, 1986*.
  - a. Rule 29.05(2)(a) states a respondent to an application must be served with claim and notice of the hearing 10 clear days prior to the hearing date and, 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 he/she has been properly served.

The affidavit submitted by the landlords show that the tenants were served with the notice of this hearing on the **18 June 2020** by serving the application for dispute resolution document to the tenants via email: and providing verification that the emails were sent. The tenants have had **11 days** to provide a response.

Secondary, contact to the missing tenants was not available at the time of the hearing as the hearing was being conducted remotely as a result of the Covid-19 Pandemic and only one phone line was available.

As the tenants were properly served in accordance with the *Residential Tenancies Act, 2018*, with the application for dispute resolution, and as any further delay in these proceedings would unfairly disadvantage the landlord applicant, I proceeded with the hearing.

## Issues before the Tribunal

- 9. The landlords are seeking the following:
  - a) Compensation for Damages **\$8658.78**;
  - b) Hearing Expenses;
  - c) Application of Security Deposit

## Legislation and Policy

- 10. The jurisdiction of the Director of Residential Tenancies is outlined in the *Residential Tenancies Act, 2018 (the Act)*, Section 47.
- 11. Also relevant and considered in this case are:
  - a. Policy 12-1: *Recovery of Fees: Filing, Costs, Hearing Expense, Interest, Late Payment and NSF*, and;

- b. Policy 9-2 Claims and Counter Claims, and;
- c. Policy 9-3 Claims for Damage to Rental premises.

## Issue 1: Compensation for Damages - \$8658.78

#### **Relevant Submissions**

#### Landlord Position

- 12. The landlords testified that when the property was recovered it was noticed that the following items were damaged as outlined:
  - a. Replace Furnace Oil (Materials \$668.86)
  - b. Furnace Restart Service Call (Labor \$74.75)
  - c. Snow Clearing (Materials \$80.00 & Labor \$50.00)
  - d. Garbage Bin Rental and Tipping Fees (Materials \$262.82)
  - e. Contracted Cleaning (Materials \$74.71 & Labor \$349.20)
  - f. Install electric stove outlet (Materials & Labor \$180.63)
  - g. Replace Propane Kitchen Range (Materials \$2758.85)
  - h. Refinish Hardwood Floors (Materials & Labor \$2501.25)
  - i. Make Plumbing Repairs (Materials & Labor \$101.93)
  - j. Replace smoke Alarm (Materials \$28.74)
  - k. Replace Double Traverse Rod (Materials \$145.71)
  - I. Replace Shed Door Hardware (Materials \$25.97)
  - m. Self-Labor (39 Hours @ \$21.94) (Labor \$855.66)
  - n. Loss of Rental Income (\$500.00)
- 13. The landlords submitted into evidence a copy of the final inspection report (Exhibit L # 3) along with the claim breakdown (Exhibit L # 2) and the rental agreement (Exhibit L # 1). The landlords testified that in December 2019 they became concerned that the tenants may not be at the residence as no snow was shoveled. On 31 December 2019, they conducted an inspection and stated they were met with a disaster.
- 14. The landlords testified that the heating system was not functioning and learned that the oil tank was out of oil **(Exhibit L # 5)** as demonstrated in the photos taken of the oil tank gauge. The landlords testified that they contacted the heating and fuel company to bleed the lines and fill the tank **(Exhibit L # 4).** The landlords testified that the tank was at just below full when the tenants took possession and empty when they left. The landlords testified the cost to fill the tank was \$668.86 and did not supply an invoice for the bleeding of the lines.
- 15. The landlords are claiming for the clearing of snow at the property. The landlords testified that the tenants failed to clear the snow regularly or at all, and when the property was recovered, he hired a plow operator to clear the driveway at a cash cost of \$80.00 and paid a laborer \$50.00 cash to clear the walkways. There were no receipts presented and there were no photos of the driveway and walkways presented.

- 16. The landlords are claiming for the costs associated with the rental of a refuge container rental and associated tipping fees at the landfill site. The landlords submitted into evidence an invoice from PBO Industrial Disposal Inc. (Exhibit L # 6) in the amount of \$252.82 plus an additional \$10.00 fee for the drop of cardboard (no receipt presented). The landlords referred to the photos of the property (Exhibit L # 5) to demonstrate the sheer amount of refuge left in the property.
- 17. The landlords are claiming for the replacement of a gas range. The landlords testified that when the property was recovered, the range was filthy, rusted and apparently never cleaned. The landlords stated that the range was condemned and had to be replaced. There was no formal paper work provided to indicate that the unit was condemned. The landlords referred to the photos of the property (Exhibit L # 5) to demonstrate the condition of the range and an estimate from Leon's (Exhibit L # 13) in the amount of \$2988.85 for the replacement of the range with a 30" s/steel slide in convection gas range. The landlords testified that the original range or similar was not available. The landlords further testified that as the gas range was no longer available, they had an electrician install a range plug and replaced the gas unit with an electric unit. The landlord did not provide any photos of the replacement stove and submitted an invoice for the electrical work by Powell's Electrical (Exhibit L # 8) in the amount of \$180.63.
- 18. The landlords testified that when the property was recovered the hardwood floors were virtually destroyed. They stated that the floors were re-finished just prior to the tenants taking possession of the property in 2015 making the finish on the floors to be 4 years old. The landlords stated that the floors are approximately 50 years old. The landlords referred to the photos of the property to demonstrate the condition and further submitted an estimate from T. Mitchell Construction Ltd. (Exhibit L # 12) in the amount of \$5016.88. It should be noted that this quote is over doubled (\$2501.25) the original claimed amount in Exhibit L # 2.
- 19. The landlords testified that the drain in the bathroom was broken and never repaired during the tenancy. The landlords testified that water would run across the floor every time the sink was used. The landlord referred to the photos for the broken drain (Exhibit L # 5) and submitted a receipt from Canadian Tire (Exhibit L # 10) in the amount of \$96.19 for the purchase of:
  - a. A Shower Tension Rod \$19.99
  - b. A Sink Drain Kit \$31.99
  - c. 2 Kitchen Sink Basket Strainers \$19.98
  - d. Plumbers Putty \$4.69
  - e. A 4 Pack of 40W Light Bulbs \$6.99
  - f. A Tub Stopper \$4.99 (From Exhibit L # 9)
- 20. The landlords testified that the tenants removed light fixtures and the smoke alarms in the unit. Again the landlords referred to the photos (Exhibit L # 5) and submitted a receipt from Canadian Tire (Exhibit L # 9) in the amount of \$34.48. The receipt details the purchase of smoke alarms and a tub stopper dealing with paragraph 21 above.

- 21. The landlords are claiming for a missing double traverse rod from the living room. The landlords are claiming \$147.28 and submitted an estimate from Amazon.ca (Exhibit L # 15). There were no photos presented to demonstrate that the rod was at the property prior to the tenants taking possession.
- 22. The landlords are claiming for the replacement of the shed door hardware in the amount of \$22.58 + HST from the Hillman Group (Exhibit L # 14). There were no photos of the damaged or missing hardware presented.
- 23. The landlords are claiming \$855.66 for 39 hours of self-labor at a rate of \$21.94. The landlords breaks down these hours as:
  - a. Plaster/paint 19 Hours
  - b. Plumbing/Electrical 2 Hours
  - c. Cleaning 10 Hours
  - d. Remove garbage from the property 8 Hours

The landlords referred to the photos of the property (Exhibit L # 5) to demonstrate the condition.

24. The landlords are seeking \$500.00 as lost rent for the period covering 01 January 2020 to 14 January 2020 as a result of the damages left behind by the tenants. The landlords testified that they had to repair the property before they could reasonably attempt to re-rent it. The landlords testified that they secured a new tenant for 15 January 2020.

## Analysis

- 25. I have reviewed the testimony and evidence of the landlords in this matter. The applicants are required to establish three criteria for a successful claim as follows:
  - a. Show that the damage exists
  - b. Show that the respondent is liable
  - c. Show a valuation for the repair or replacement
- 26. The photos are clear as to the condition that the property was left. There is simply no excuse for this sort of neglect by the tenants. As part of these pictures, the landlord has demonstrated the condition of the unit prior to the tenants taking possession as in good order and condition.
- 27. The landlords have claimed for the replacement of oil that was used by the tenants during the tenancy. The rental agreement clearly outlines that all utilities are the sole responsibility of the tenants. The landlords stated that the tank was just below full at the onset of the tenancy but no documents were presented. The fuel invoice presented shows that 614.5 litres of fuel was dropped in the tank.

From personal knowledge this is approximately 140 litres short of a full tank (200 gallons). The landlord has established that the tank was empty as demonstrated by the guage photo and that fuel was purchased. I accept the testimony of the landlords regarding the level at the onset of the tenancy and find that the fuel dropped would equate too or be slightly less than the stated level at the beginning of the tenancy. I find the tenants responsible for the replacement of oil totaling **\$668.86** as invoiced.

- 28. The landlords are also claiming for the cost associated to bleed the lines to restart the furnace. The landlords have not presented any invoice for this service yet is claiming \$74.75. There is no doubt that once a furnace runs out of oil it will require the line to be bled to re-start the furnace. The cost for this service can vary widely. The landlords have failed to support this portion of the claim in providing no receipt or invoice for the cost claimed. As such, this portion of the claim fails.
- 29. The landlords claim for snow clearing is problematic at best. Whereas snow clearing is typically a cash business especially for the hand shoveled work, if a landlord is going to claim against a third party, then it would be advisable to obtain receipts to verify the costs. In addition, the landlords did not support the existence of the problem by presenting photos, when for other items pictures were not a problem. As such, I find that the landlords failed to support this portion the claim with adequate evidence and as such this portion fails.
- 30. The landlords have stated that the tenants failed to shovel the snow from the property leaving a mess for the landlords to take care of. In reviewing the evidence, I note that there were no photos of the properties exterior showing the extent of the snow left behind. In addition, the landlords claim to have paid an operator \$80.00 cash to plow the driveway and another person \$50.00 cash to shovel the walkways. There were no receipts or invoices supplied as evidence of the costs. I understand that typically this type of work is cash related, however, if a claim is being made against a third party for these expenses, then the ability to demonstrate these expenses is important. As such, I find that the landlords have failed to support this portion of the claim and thereby this portion fails.
- 31. The landlords are claiming for the rental of a garbage dumpster and tipping fees to dispose of the garbage left behind by the tenants. The pictures could not be any clearer in this regard. It is apparent that the tenants took from the property what they wanted and left in a hurry leaving a significant amount of garbage for the landlords to deal with. The landlords have supplied an invoice for these claimed costs including tipping fees in the amount of \$262.82. I find this portion of the claim supported and reasonable and find the tenants responsible for the associated costs in the amount of **\$262.82**.
- 32. When the property was vacated by the tenants, it was evident that they had no intention of returning. It is quite clear that the property required extensive cleaning. The landlords contracted three cleaners to attend to the property in addition to the landlords spending 10 hours herself cleaning. Additionally, the landlords purchased \$74.41 in cleaning supplies required to complete the job.

The landlords paid the cleaners \$349.20 (3 people for 6 hours @ \$19.40 per hour). Additionally, the landlords are claiming 10 hours @ \$21.94 for a total of \$219.40. I find that the required cleaning warrants the amount of hours being claimed however, the self-labor rate claimed by the landlords exceeds the allowable rate of \$19.40 (for the time frame) under policy. As such, I find that for the contracted cleaning, the tenants are responsible for \$349.20. For the self-labor hours of the landlord I calculate and find the tenants responsible for \$194.00 (10 hours X \$19.40 = \$194.00). Additionally I find the tenants responsible for the cleaning supplies as claimed in the amount of \$74.41. The tenants are responsible for the following:

- a. Cleaning Labor \$543.20
- b. Materials \$74.41
- 33. The landlords are claiming that the stove (gas range) in the property was destroyed and costly to replace so they opted to install an electric stove outlet in an effort to quickly get the apartment back in operation. The landlords supplied an invoice for the services and materials to install the electrical outlet (Exhibit L # 8) totaling \$180.63.
- 34. The issue of the range will be addressed below. The landlords have testified that in an attempt to get the property up and running quickly, it was easier to place an electric range in the kitchen and, therefore, the electrical wiring had to be completed to mitigate the loss of future rent and down time. A landlord is required to mitigate any loss on a property. The actions of mitigation have to be reasonable in nature. The effort to re-establish the functionality of the property would certainly fall under the guise of mitigation. The landlords claim a suitable gas range was not readily available and as such decided to place an electric range in the place to get it operational. Electric ranges require specific electrical requirements and thus the installation of the outlet would be seen as an effort to mitigate a loss. As such, I find the tenants responsible for the charge to install the required electrical outlet in the amount of **\$180.63**.
- 35. The landlords are claiming for the replacement of a gas range in the property. The photographic evidence shows that in all likelihood, the range was never cleaned and resulted in the unit becoming extremely dirty and what appears to be rusty. The landlords' original claim was \$2758.85 yet the estimate provided from Leon's was \$2988.85.
- 36. I must compare the two ranges at this point as there appears to be great discrepancies in the two units (original vs replacement). The original unit appears to be a white 30 inch older model unit that is not a convection oven. The replacement unit is a Frigidaire Gallery stainless steel, convection slide in model with Air Fry which is a high end unit (A google search of the model number revealed the descriptors of the range). The landlords claim that there were no equivalent models of ranges available, yet a simple google search realized any number of equivalent gas ranges in varying prices similar to what was in the property. For example, Model # JCGBS60DEKWW GE 30 inch Single Oven Gas Range is available for \$695.00 and is more comparable to the original unit.

- 37. An award for damages is only meant to bring a party back to where they were at the start of the tenancy less reasonable wear and tear. Under no circumstance is an award meant to put either party in a better position. As such, I will find that the landlords' estimate is excessive and would place the landlords in a clear advantage or better position than the original unit. For award purposes I will use the cost of the GE Range at \$695.00 plus HST.
- 38. There is no doubt that the range was damaged by the tenants. The landlords stated that it was condemned yet did not provide any verification that a gas technician or similar professional has actually condemned the unit from use. The landlords stated that the original range was approximately 7 years old. A gas range has the life expectancy of 15 years in a home. With the damages being irrefutable, I find the tenants responsible for the depreciated value of the replacement range (\$695.00 + HST = \$799.25) calculated as:  $$799.25 \div 15$  yours = \$53.28 per year X 8 years remaining = \$426.27. The tenants are responsible for the replacement of the replacement.
- 39. The hardwood floors were in pristine condition at the onset of the tenancy as demonstrated by the photos presented. The landlords testified that they had the floors re-finished just prior to the tenants taking possession making them approximately 4 years old when they vacated the property. The photos are also clear that the tenants left the floors scratched and damaged requiring refinishing.
- 40. The landlords' original submission (March 2020) to refinish the floors was \$2501.25. At the hearing the landlords submitted a quote for \$5016.88 (02 July 2020) from T. Mitchell Construction Ltd. This is a significant difference in estimates and therefore without re-service to the other party, the original submission will be used in this claim. To do otherwise would be judicially unfair to the responding party.
- 41. The evidence is clear with respect to liability. The photos show without a doubt that the tenants destroyed the finish on the hardwood floor. I find the tenants responsible for the damages to the hardwood floor surface. The life expectancy of the finish on a hardwood floor in a rental unit is 5 years. Given these floors are 4 years on the finish, there is 1 year of useful life left on the finish. The calculated depreciate amount is  $2501.25 \div 5$  years = 500.25 per year x 1 year remaining = 500.25.
- 42. The landlords testified that the drain in the bathroom was broken and never fixed during the tenancy. They claimed that the water ran across the floor every time the sink was used. The pictures of the bathroom sink clearly shows that the drain mechanism around the bottom of the sink was broken. The location of the break would explain the leaking experienced. The landlords submitted an invoice from Canadian Tire for the purchase of the necessary supplies (Drain Kit, Plumbers Putty and two basket strainers) to repair the plumbing **(Exhibit L # 10).** The total claimed is \$101.93 and the materials indicated total \$65.16 HST Included. The balance of the claimed amount I would assume is labor totaling \$36.77. There is also a claim for labor below inclusive of the plumbing repairs and therefore I will deal with all the labor in that section.

- 43. There has been no indication of the age of the plumbing in this claim and therefore I'm left with making an arbitrary award in this section of the claim. Most plumbing will last a significant number of years in a rental and therefore I find that a 50% award is reasonable in this matter. I find the tenant responsible for the damage to the sink drain in the amount of **\$32.58**.
- 44. The evidence led by the landlords show that there was hardwired smoke alarms and fixtures removed from the unit. The fire alarms in a property should never be tampered with as they are lifesaving fixtures. I do not dispute the testimony and photos of the landlords regarding the removal of the smoke alarms and fixtures and find the tenants responsible. It is a fair and certainly a safe practice that once these lifesaving fixtures are tampered with, that they be replaced to ensure the working order for future tenants. The landlords invoice from Canadian Tire (Exhibit L # 9) shows the purchase of a twin pack of smoke alarms in the amount of \$24.99 plus HST = \$28.74. There are no invoices presented for the purchase of any light fixtures. Smoke Alarms have a useful life expectancy of 10 years. The age of this particular unit is unknown and again an arbitrary amount for an award is required. I will once again use the 50% factor in determining an arbitrary depreciated award in the amount of \$14.37.
- 45. With respect to the claim of the landlords that the double traverse rod in the living room, the landlords have presented a photo of the living room prior to the tenants moving in which shows no traverse rod. They are claiming that the rod was removed from the wall and taken. The landlords estimate from Amazon has been entered and considered in this decision. The landlords' testimony was that they added the rod after the photo was taken and I have no reason to dispute this testimony. In addition to removing the landlords' curtain rods, the landlords advise that the tenants installed their own rods with nails and then ripped them out of the wall before leaving. Based on the condition of the property and the one close up photo of a hole in the wall, I find that it is reasonable to assume that the tenants did indeed treat the property as described. I find the tenants responsible for the replacement of the traverse. These rods have a useful life of 20 years in a rental unit and given this was installed approximately 2015, would leave a remaining life of 15 year on this item. I calculate the depreciated value of the rod at **\$110.46** (\$147.28 ÷ 20 years = \$7.36 per year x 15 years remaining = \$110.46).
- 46. The landlords are claiming for the damage to the shed door locking mechanism (\$25.97) claiming that the tenants beat the lock off the door and beat out the windows in the shed. There is no claim for the windows and the only photo shown by the landlords is a photo of an old broken window. As above I have no reason to dispute the testimony of the landlords with regard to the locking mechanism. As such, I will accept the testimony of the landlords and award the depreciated amount of **\$12.99** for the replacement of the lock hardware. I will used the arbitrary 50% factor once again.

- 47. The landlord has claimed self-labor at a rate of \$21.94 per hour for 39 hours broken down as:
  - a. Plaster/paint 19 Hours
  - b. Plumbing/Electrical 2 Hours
  - c. Cleaning 10 Hours
  - d. Remove garbage from the property 8 Hours

First of all the claimed rate for self-labor exceeds the maximum allowable by Division Policy which was set at \$19.40 for the time period in question. As such, this is the rate I will use to calculate an award.

As stated above, the landlords also claimed a portion of the labor for the plumbing repair, but that portion was referred to this analysis. Labor cannot be claimed for the same item in two separate sections and thus for the plumbing repairs I will consider only the 2 hours claimed here. The property was left in a deplorable condition and the tenants showed a total lack of respect for the property of the landlords. The labor associated with plaster/paint and the plumbing (21 hours) would be added to any material cost and depreciated accordingly. Firstly, I find that this amount of labor hours is more than reasonable given the condition of the property. In all likelihood, it took the landlords more time to complete the repairs. As such, I will depreciate the labor for these two items at the factor of 50% as done above. The depreciated value for "a" and "b" above is ( $407.40 \times 50\% = 203.70$ ).

The labor claimed (18 hours) for the cleaning and removal of garbage left is considered a task of strict labor and depreciation does not affect these items. I again find that 18 hours is more than reasonable for the mess that was left behind and award the landlords **\$349.20** for this labor. ( $$19.40 \times 18$  hours. = \$349.20).

The landlords' total award for labor is **\$552.90** (\$203.70 + 349.20).

48. The landlords have demonstrated quite clearly that when the property was recovered, it was left in a non-rentable condition and required work to bring it back to a rentable condition. The landlords are seeking \$500.00 for ½ of a month's rent for January 2020. They testified that the property was rented for 15 January 2020. The evidence is clear and direct that the landlords had significant work to repair the property after recovery. I find that it is reasonable for the landlords to seek the two weeks down rent as the direct cause of the lost rent was the result of the repairs. I find the tenants responsible for the lost rent in the amount of \$500.00 representing two weeks rent as claimed.

# Decision

## 49. The landlords' claim for damages succeeds as follows:

c. d.	Replace Furnace Oil Re-Start Furnace Snow Clearing Dumpster Rental Contracted Cleaning Cleaning Materials Electrical Installation Replace Kitchen Range Refinish Hardwood Floors Repair Plumbing	\$668.86 0.00 262.82 543.20 74.41 180.63 426.27 500.25 32.58
	5	
t.	0	
g.	Electrical Installation	180.63
h.	Replace Kitchen Range	426.27
i.	Refinish Hardwood Floors	500.25
j.	Repair Plumbing	32.58
k.	Replace Smoke Alarm	14.37
I.	Replace Traverse Rod	110.46
m.	Replace Shed Door Hardware	12.99
n.	Self-Labor	552.90
0.	Loss of rental income	<u>500.00</u>

#### p. Total Damages

#### <u>\$3866.78</u>

## Issue 2: Application of Security Deposit

#### Landlord Position

50. The landlords testified that a security deposit in the amount of \$500.00 was paid on the property on or about 17 September 2015. The landlords' claim is seeking to apply the security deposit against the order issued by the tribunal.

#### Analysis

51. Established by undisputed fact above, the tenants did pay a security deposit to the landlords in the amount of \$500.00. The landlords' claim has been successful in part. The security deposit plus accrued interest is \$500.00 as the interest rate for 2015 – 2020 is set at 0%.

#### Decision

52. As the landlords' claim above has been successful, the landlords shall apply the security deposit being held against the attached Order as outlined in the attached.

# Issue 3: Hearing Expenses

#### Landlord Position

53. The landlords paid a fee in the amount of \$20.00 as an application filing fee and presented a receipt from Service NL (**Exhibit L # 11).** The landlords are seeking this expense.

## Analysis

54. I have reviewed the testimony and evidence of the landlords in this matter. The expenses incurred by the landlords is considered a reasonable expense and are provided for with in Policy 12-1 *Recovery of Fees: Filing, Costs, Hearing Expense, Interest, Late Payment and NSF.* As such, I find the tenants are responsible to cover these reasonable expenses.

#### Decision

55. The tenants shall pay the reasonable expenses of the landlords in the amount of \$20.00.

#### Summary of Decision

56. The landlords are entitled to the following:

a) b) c)	Damages Hearing Expenses Subtotal	
C)	LESS: Security Deposit being held	<u>(\$500.00)</u>
d)	Total owing to Landlords	<u>\$3386.78</u>



25 September 2020

Date

Michael Greene Residential Tenancies Tribunal