

Residential Tenancies Tribunal

Application 2025-0908-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 9:06 a.m. on 23-October-2025.
2. The applicants, [REDACTED] (tenant 1) and [REDACTED] (tenant 2), hereinafter referred to as “the tenants” attended by teleconference.
3. The respondent, [REDACTED], hereinafter referred to as “the landlord” attended by teleconference.
4. The tenants amended the application to decrease refund of security deposit from \$1687.50 to \$1612.50 and to seek \$1687.50 for compensation paid for “Other” and to include hearing expenses.

Preliminary Matters

5. The tenants submitted an affidavit with their application stating that they had served the landlord’s agent with the notice of hearing electronically by email to; [REDACTED] on 9-October-2025 (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.
6. There initially was a fixed term rental agreement which commenced on 19-May-2024, which converted to a month-to-month tenancy. The tenants vacated the unit on 31-July-2025. Rent was \$2250.00 per month, due on the 1st day of each month. A security deposit of \$1687.50 was paid on 19-May-2024 and \$1612.50 remains in the landlord’s possession. The tenants testified that they agreed to allow the landlord to retain \$75.00.

Issues before the Tribunal

7. The tenants are seeking:

- Refund of security deposit \$1612.50
- Compensation paid for Inconvenience \$200.00
- Compensation paid for "Other" \$1687.50
- 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*. Also, relevant and considered in this decision is the following section of the *Residential Tenancies Act, 2018*: Section 14: Security deposit.

Issue # 1: Refund of Security Deposit \$1612.50

Tenant's and Landlord's Positions

9. The tenants testified that they vacated the unit on 31-July-2025 and they have not received their security deposit to date. Tenant 1 testified that they entered into an agreement with the landlord to retain \$75.00 to cover the cost of a damaged door. The tenants are seeking a refund of a portion of the security deposit in the amount of \$1612.50. The landlord's agent did not dispute that the security deposit was not refunded; however, she stated that the monies are no longer in the landlord's possession as it was used to cover the cost of damages to the unit. The landlord's agent testified that she sent a copy of the invoice from the contractor to the tenants to show them the cost to repair the damages and she is disputing the tenant's claim that they did not know why the landlord retained the security deposit in full.

Analysis

10. Section 14 of the *Residential Tenancies Act, 2018* deals with security deposits, and the relevant subsections state:

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).
- (12) A landlord who does not make an application in accordance with subsection (11) shall return the security deposit to the tenant.

11. I accept that the tenants paid a security deposit of \$1687.50, and I accept that they entered into an agreement with the landlord's agent to retain \$75.00 to cover the cost of a damaged door. I do not accept the landlord's rationale for retaining the security deposit, as sending an invoice to the tenants does not grant them permission to retain the security deposit. In accordance with Section 14 of the *Act* as stated above, the tenant did not enter into an agreement with the landlord allowing them to retain the security deposit in full and although the landlord has a right to make a claim to retain the security deposit for compensation for damages, she failed to do so. For those reasons, I find that the landlord shall refund a portion of the security deposit to the tenants in the amount of \$1612.50.
12. Pursuant to the *Residential Tenancies Act, 2018* the landlord must pay interest on a security deposit to a tenant 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 rate for 2024-2025 is 1%.

Decision

13. The tenant's claim to have a portion of the security deposit refunded succeeds in the amount of \$1612.50.
14. Interest shall be paid to the tenants on \$1687.50 for the period of 19-May-2024 to 31-July-2025 in the amount of \$20.32 and interest shall be paid on \$1612.50 from 31-July-2025 to the hearing date on 23-October-2025 in the amount of \$3.76.

Issue # 2: Compensation paid for "Other" \$1687.50

Tenant's Position

15. The tenants testified that the lack of cooperation from the landlord's agent with regards to the refund of their security deposit has left them feeling stressed and they are seeking the amount of the security deposit of \$1687.50 to be paid to them for their personal stress.

Analysis

16. This tribunal does not have the authority to deal with claims for personal injury.

Decision

17. The tenants claim for compensation paid for "Other" does not succeed.

Issue # 3: Compensation paid for Inconvenience \$200.00

Tenant's and Landlord's Positions

18. The tenants testified that they were inconvenienced when the refrigerator in the unit stopped working on 8-April-2025 and they had to wait almost 3 months to have it replaced and they are seeking \$200.00 for the loss of food and for their overall inconvenience. The tenants testified that the landlord's agent had agreed over a telephone conversation to give them a \$200.00 gift card for their inconvenience, and they submitted a copy of a text message from the landlord's agent stating that she will give them \$100.00 to support the claim (TT#2).
19. The landlord's agent disputed that the landlord agreed to pay anything, and she stated that she informed the tenants that she would ask the landlord to provide them with a \$100.00 gift card for their inconvenience which did not come to fruition. The landlord's

agent stated that the landlord provided the tenants with a deep freeze, and she also stated that the refrigerator was somewhat functional.

Analysis

20. I accept the tenant's testimony that the refrigerator was broken for almost 3 months and although there was a deep freezer provided, I find that it is a great inconvenience not to have a fridge to store daily necessities such as milk and eggs. I agree with the tenants that they would have to make trips to the grocery store more often and I accept their testimony that foods got spoiled and had to be thrown out. The exhibit entered into evidence shows that the landlord's agent supported compensation to the tenants for their inconvenience, and I find that \$200.00 is a reasonable amount to award the tenants for their inconvenience. For those reasons, I find that the landlord is responsible to pay the tenants \$200.00 for compensation for their inconvenience.

Decision

21. The tenants claim for compensation paid for inconvenience succeeds in the amount of \$200.00.

Issue # 4: Hearing expenses \$20.00

Analysis

22. The tenants paid an application fee of \$20.00 to *Residential Tenancies* and submitted a copy of the receipt to support the claim (TT#3). In accordance with Section 12-1 of the *Residential Tenancies Policy Manuel*, claimable costs may include the filing fee. As the tenant's claims have been mostly successful, I find that the landlord is responsible for the hearing expenses.

Decision

23. The tenants claim for hearing expenses succeeds in the amount of \$20.00.

Summary of Decision

24. The landlord shall pay the tenants \$1856.58 as follows:

Refund of security deposit	\$1612.50
Interest	24.08
Compensation for inconvenience	200.00
Hearing expenses	20.00
Total	\$1856.58

October 23, 2025
Date



Pamela Pennell, Adjudicator
Residential Tenancies Office