

Residential Tenancies Tribunal

Application 2025-0996-NL & 2025-0997-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 9:05 a.m. on 2-December-2025.
2. The applicant, [REDACTED] represented by [REDACTED] and [REDACTED], hereinafter referred to as “the landlord” attended by teleconference.
3. The respondents and counter applicants, [REDACTED] (tenant 1), and [REDACTED] (tenant 2), hereinafter referred to as “the tenants” attended by teleconference.

Preliminary Matters

4. The landlord submitted 2 affidavits with their application stating that they had served the tenants with the notice of hearing electronically by email on 5-November-2025 (LL#1). The tenants confirmed receipt of the documents and countered the claim. The tenants submitted a copy of an affidavit with their application stating that they had served the landlord with the notice of hearing electronically by email on 21-November-2025 (TT#1). The landlord’s representative confirmed receipt of the document. In accordance with the *Residential Tenancies Act, 2018* this is good service.
5. There was a written month-to-month rental agreement which commenced on 1-July-2023. The tenants vacated the unit on 31-August-2025. Rent was \$1255.00 per month, due on the first day of each month. A security deposit of \$753.75 was paid on 12-May-2023 and \$298.33 has been refunded to the tenants.

Issues before the Tribunal

6. The landlord is seeking:
 - Compensation paid for damages \$390.00
 - Other (admin fees) \$78.00
 - Hearing expenses \$20.00
 - Security deposit plus interest applied against monies owed

7. The tenants are seeking:
 - Refund of security deposit \$468.00
 - Hearing expenses \$42.00

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*.
9. 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 are the following sections of the *Residential Tenancies Policy Manual*: Section 9-3: Claims for damages to rented premises and Section 12-1: Recovery of costs.

Issue # 1: Compensation paid for damages \$390.00

Landlord's and Tenant's Positions

10. The landlord's representative testified that the unit needed to be cleaned after the tenants vacated and they are seeking \$390.00 to cover the cost. The landlord submitted an invoice from [REDACTED] Services to support the claim (LL#2) and a copy of a move-out inspection report dated 2-September-2025 to support the claim (LL#3).
11. The tenants disputed that they left the unit dirty and tenant 1 testified that they cleaned the unit well before they vacated. The tenants submitted a copy of a move-out video to support the claim (TT#2).

Analysis

12. 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)*
13. I accept the exhibits entered into evidence by the landlord which includes an invoice for the cost to clean the unit and an unsigned move out inspection report stating that the kitchen floor needed cleaning, the bathroom had a presence of mold, and the living room had a slightly dirty ceiling fan. I asked the tenants if they left the floor dirty and tenant 1 responded that they had not, and he added that the mold in the bathroom was a result of a ventilation problem which they previously reported to the landlord, and he stated that they had to incur the cost of a dehumidifier to deal with the moisture problem within the unit.
14. When dealing with cleanliness, everyone has a different perspective as to what clean means to them and photographs are important to gauge the degree of dirt left in a unit. The landlords failed to provide photographs to support their claim and the move out inspection report was not signed by the tenants. The tenants submitted a copy of a move-out video which indicates that they cleaned the unit before vacating. As the tenants disputed the landlord's claim and in accordance with Section 9-3 of the *Policy* as

stated above, I find that the onus was on the landlord to demonstrate that the tenants left the unit in a poor state of cleanliness requiring them to incur cleaning costs and I find that they failed to do so. For those reasons, I find that the tenants are not responsible for the cost to clean the unit.

Decision

15. The landlord's claim for compensation paid for damages does not succeed.

Issue # 2: Other (Administrative fee) \$78.00

Analysis

16. As the landlord's claim for compensation for damages does not succeed, there is no need to analyze the landlord's claim for administrative fees.

Decision

17. The landlord's claim for "Other" does not succeed.

Issue # 3: Hearing Expenses

Analysis

18. The landlord paid an application fee of \$20.00 to *Residential Tenancies* and submitted a copy of the receipt to support the claim (LL#4). The tenants also incurred Commissioner of Oath charges in the amount of \$42.00 and they submitted a copy of the receipt to support the claim (TT#3).

19. In accordance with Section 12-1 of the *Residential Tenancies Policy Manuel*, filing fees and other administrative fees can be claimable costs. As the tenant's claim has been successful, I find that the landlord is responsible for the hearing expenses.

Decision

20. The landlord's claim for hearing expenses does not succeed.

21. The tenant's claim for hearing expenses succeeds in the amount of \$42.00.

Issue # 4: Security deposit plus interest applied against monies owed Refund of Security Deposit \$468.00

Analysis

22. 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.

23. The landlord's claim for losses does not succeed; thus, the landlord shall refund the portion of the security deposit in their possession to the tenants plus interest. 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 2023 was 0% and is currently 1% for 2024 and 2025.

Decision

24. The landlord's claim to have the security deposit applied against monies owed does not succeed.

25. The tenant's claim for refund of security deposit plus interest succeeds.

Summary of Decision

26. The landlord's claim for compensation paid for damages and hearing expenses does not succeed.

27. The landlord shall pay the tenants \$511.17 as follows:

Refund security deposit.....	\$455.42
Interest on \$753.75 (till 31-Aug)	12.58
Interest on \$455.42 (from 1-Sept)	1.17
Hearing expenses	42.00
 Total	 \$511.17

December 17, 2025

Date



Pamela Pennell, Adjudicator
Residential Tenancies Office