

Residential Tenancies Tribunal

Application 2025-1092-NL

Oksana Tkachuk
Adjudicator

Introduction

1. Hearing was called at 1:53 p.m. 20-January-2026.
2. The applicant, [REDACTED] hereinafter referred to as “the tenant”, attended via teleconference.
3. The respondent, [REDACTED], hereinafter referred to as “the landlord”, did not attend.

Preliminary Matters

4. The landlord was not present or represented at the hearing and when I reached them by telephone at the start of the hearing, they explained they had a medical appointment. This Tribunal’s policies concerning notice requirements and hearing attendance have been adopted from the Rules of the Supreme Court, 1986. According to Rule 29.05(2)(a) respondents to an application must be served with claim and notice of the hearing 10 clear days prior to the hearing date 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 they have been properly served.
5. The tenant submitted an affidavit with their application stating that they had served the landlord with the notice of hearing electronically via email on 5-January-2026 (TT#1,2). The tenant provided proof of sent email on that date and confirmed that this email address was provided by the landlord in the rental agreement and was used for communication with the landlord before. In accordance with the Residential Tenancies Act, 2018 this is good service. As the landlord was properly served and did not request a postponement, and as any further delay in these proceedings would unfairly disadvantage the tenant, I proceeded with the hearing in their absence.
6. There was a written fixed term rental agreement which commenced on 1-April-2025 for one year. The tenant vacated the unit on 30-October-2025. Rent was \$2400.00 per month due on 1st of each month. The security deposit of \$1200.00 was paid on 1-April-2025 and \$900.00 is still in the landlords’ possession.

Issues before the Tribunal

7. The tenant is seeking:

- Refund of Security deposit plus interest \$900.00;

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.

Issue # 1: Refund of Security deposit \$900.00

Tenant's position

10. The tenant stated that she was very responsible during her move-out and left the unit in the same condition as at move-in. She explained that she was relying on the return of her security deposit to secure a new place. The tenant testified that it was extremely distressing to have those funds withheld by the landlord upon her move-out. She further stated that she would accept compensation for the additional financial distress this caused. The tenant is therefore seeking a refund of the remaining security deposit, plus applicable interest.

Analysis

11. 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.
12. I accept the testimony of the tenant that the security deposit was not refunded in full amount by the landlord within the required time frame, as the landlord was not present or represented during the hearing to provide their testimony. As the parties had not entered into an agreement on the disposition of security deposit, and as the landlord did not return the security deposit within 10 days of the end of the tenancy and failed to serve the tenant

with an application to retain the deposit within that period, I find that the landlord has not complied with the requirements of the *Act*. Accordingly, the landlord shall refund the security deposit of \$900.00, plus interest to the tenant. Regarding the tenant's reference to additional compensation for emotional distress, I note that this proceeding is application-driven. The only remedy requested in the application is the return of the security deposit.

13. Pursuant to the *Residential Tenancies Act, 2018* the landlords must pay interest on a security deposit to the tenant for the entire period that the landlords have had the security deposit. The interest was 1% for 2025, the annual interest in 2026 is 0%.

Decision

14. The landlord shall refund the Security Deposit plus interest of \$906.78 to the tenant.

January 26, 2026

Date



Oksana Tkachuk, Adjudicator
Residential Tenancies Office