

Residential Tenancies Tribunal

Application 2025-1101-NL

Seren Cahill
Adjudicator

Introduction

1. Hearing was held on 7-January-2026 at 2:00 pm.
2. The applicant, [REDACTED], hereinafter referred to as the tenant, attended by teleconference.
3. The respondent, [REDACTED], hereinafter referred to as the landlord, did not attend.

Procedural History

4. The landlord was not present or represented at the hearing and I was unable to reach them by telephone at the start of the hearing. 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. The tenant submitted an affidavit (T#1) with their application stating that they had served the tenant with notice of the hearing electronically on 15-December-2025 at 3:29 pm. Proof of service was also provided (T#2 and T#3). As the landlord was properly served, and as any further delay in these proceedings would unfairly disadvantage the tenant, I proceeded with the hearing in their absence.

Issues before the Tribunal

5. What is the proper disposition of the security deposit?

Legislation and Policy

6. The jurisdiction of the Director of Residential Tenancies is outlined in sections 46 and 47 of the *Residential Tenancies Act, 2018* (the *Act*).

Issue 1: Security Deposit

7. The tenant testified that he entered into a verbal rental agreement with the landlord and paid a security deposit of \$638.00 on 25-October-2025 by e-transfer. T#4 shows that e-transfer.
8. This application was filed to determine the disposition of a security deposit, as per s. 14(10)(b) of the *Act*. S. 14(11) and s. 14(12) read as follows:
 - (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.
9. T#1-T#3 show that the tenant served the landlord with a copy of their application on 15-December-2025. As of the date of the hearing, no application has been received from the landlord. In accordance with s. 14(12), the security deposit must be returned to the tenant.
10. S. 14(7) of the *Act* states that a landlord shall credit interest to the tenant on the full amount or value of the security deposit, at the rate prescribed by the regulations, during the time the security deposit is held by the landlord. The regulations prescribe a simple interest rate of 1% annual for the year 2025 and an interest rate of 0% for the year 2026. Calculated to the date of the hearing, the interest totals \$1.19.

Decision

11. The security deposit and interest, valued at \$639.19, must be returned to the tenant.

Summary of Decision

12. The landlord shall pay to the tenant \$639.19 in the return of a security deposit.

13-January-2026
Date


Seren Cahill
Residential Tenancies Office