

Residential Tenancies Tribunal

Application 2026-0053-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called 9:06 a.m. on 9-April-2026.
2. The applicants, [REDACTED] (tenant 1) and [REDACTED] (tenant 2), hereinafter referred to as “the tenants” attended by teleconference. **Note:** tenant 2 was added to the application at the start of the hearing.
3. The respondent, [REDACTED], represented by [REDACTED] hereinafter referred to as “the landlord” attended by teleconference.

Preliminary Matters

4. The tenants submitted an affidavit with their application stating that they had served the landlord with the notice of hearing electronically by email on 25-February-2026 (TT#1). The landlord’s representative confirmed receipt of the document on that date. In accordance with the *Residential Tenancies Act, 2018* this is good service.
5. There was a fixed-term rental agreement which commenced on 1-October-2025. The tenants took possession on 23-October and vacated the unit on 19-December-2025. Rent was \$1750.00 per month, due on the 1st day of each month. A security deposit of \$1312.50 was paid on 22-October-2025 and has been refunded in part (\$936.00) to the tenants on 8-January-2026.

Issues before the Tribunal

6. The tenants are seeking:
 - Rent refunded \$1707.36
 - Security deposit refunded \$376.50

Legislation and Policy

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

8. 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 is Section 12-1 of the *Residential Tenancies Policy*: Recovery of costs.

Issue # 1: Rent Refunded \$1707.36

Tenant's and Landlord's Positions

9. Tenant 1 stated that they paid rent for periods that they did not occupy the premises and she stated that they are seeking to have \$1707.36 refunded to them. Tenant 1 stated that although they signed a rental agreement to take possession of the unit on 1-October-2025, they were late arriving to *Canada* and did not take possession of the unit until 23-October. Tenant 1 stated that they are seeking to have \$1241.95 refunded for the period of October 1-22 and she stated that they vacated the unit on 19-December as requested by the landlord and they are seeking to have \$465.42 refunded for the period of December 20-31. In addition, tenant 1 stated that they are seeking to have a portion of the utility bill paid for the month of December refunded to them in the amount of \$102.00, and \$23.50 paid for late fees refunded as well.
10. The landlord's representative disputed that any rent monies paid or monies paid for utilities should be refunded to the tenants as they signed a binding contract to rent the unit effective 1-October-2025 for a 12-month period.

Analysis

11. I accept that the tenants were late arriving to *Canada* and did not take possession of the property until 23-October, however this delay was not the responsibility of the landlord and does not alter the terms of the fixed-term tenancy agreement. The landlord would not reasonably have been able to rent the unit for a partial period of 22 days, and landlords should not be required to absorb financial losses resulting from tenant actions that are beyond the landlord's control. .
12. With regards to a refund of rent for the period after the tenants vacated the unit in December, I accept that they were given an eviction notice with cause and had to vacate due to non-payment of rent, which again left the landlord in a situation whereby they incurred a financial loss. With regards to the utility bill and the late fees paid, I find that the tenants were responsible for those costs.
13. I find that the tenants are not entitled to any refund of rent for the period of time that they did not occupy the premises, for the utility bill charged to them for the month of December and for any late fees charged due to nonpayment of rent.

Decision

14. The tenant's claim for a refund of rent does not succeed.

Issue # 2: Security Deposit Refunded \$376.50

Tenant's and Landlord's Positions

15. Tenant 1 stated that the landlord refunded their security deposit in part, and she stated that they are seeking to have the remainder of the deposit refunded in full.

16. The landlord's representative did not dispute the tenant's claim for a refund of security deposit.

Analysis

17. 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.*

18. As the landlord's representative did not dispute the tenants' claim to have the security deposit refunded and in accordance with Section 14 of the *Act* as stated above, the security deposit shall be refunded to the tenants. 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 2025 was 1% and is currently 0% for 2026.

Decision

19. The tenant's claim for refund of security deposit succeeds.

Issue # 3: Hearing Expenses \$20.00

Analysis

20. The tenants paid an application fee of \$20.00 to *Residential Tenancies* and submitted a copy of the receipt to support the claim (TT#2). In accordance with Section 12-1 of the *Residential Tenancies Policy Manual*, filing fees can be claimable costs. As the tenant's claim for losses does not succeed, I find that the landlord is not responsible for the hearing expenses.

Decision

21. The tenant's claim for hearing expenses does not succeed.

Summary of Decision

22. The tenant's claim for refund of rent and hearing expenses does not succeed.
23. The landlord shall refund the security deposit plus interest to the tenants in the amount of \$379.05.

April 14, 2026

Date



Pamela Pennell, Adjudicator
Residential Tenancies Office