

Residential Tenancies Tribunal

Application 2026-0129-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 9:15 a.m. on 3-March-2026.
2. The applicants, [REDACTED] and [REDACTED], hereinafter referred to as “the landlords” attended by teleconference.
3. The respondent, [REDACTED] hereinafter referred to as “the tenant” did not attend.

Preliminary Matters

4. The tenant was not present or represented at the hearing and I was unable to reach him 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 the claim and notice of 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 he has been properly served. The landlords submitted an affidavit with their application stating that they had served the tenant with the notice of hearing electronically by email to: [REDACTED] on 4-February-2026 (LL#1). The landlords submitted proof of service (LL#2). A notice of rescheduled hearing was sent to the tenant electronically via email on 2-March-2026. In accordance with the *Residential Tenancies Act, 2018* this is good service. As the tenant was properly served, and as any further delay in these proceedings would unfairly disadvantage the landlords, I proceeded with the hearing in his absence.
5. There was a fixed term rental agreement which commenced on 10-December-2025. The tenant vacated the unit on 28-January-2026. Rent was \$560.00 per month, due on the 10th day of each month. A security deposit of \$412.50 was paid on 9-December-2025 and is in the landlord's possession.

6. The landlords amended the application to omit validity of termination notice and premises vacated and to include hearing expenses. Also, the disposition of the security deposit shall be dealt with in this hearing.

Issues before the Tribunal

7. The landlords are seeking:
 - Rent and late fees paid \$645.00
 - Compensation paid for inconveniences \$560.00 - \$1120.00
 - Utilities paid \$91.89
 - Hearing expenses \$20.00
 - Security deposit applied against monies owed \$412.50

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 sections of the *Residential Tenancies Act, 2018*: Section 14: Security deposit and Section 15: Fee for failure to pay rent. Also, relevant and considered in this decision is the following Section of the *Residential Tenancies Policy Manual*: Section 12-1: Recovery of costs.

Issue # 1: Rent and Late Fees Paid \$645.00

Relevant Submission

10. The landlords testified that rent is outstanding in part since the commencement of the tenancy, and they stated that they are seeking rent to be paid in full up to the end of the rental period when the tenant vacated plus late fees. The landlords submitted a copy of a rental ledger to support the claim (LL#3). See breakdown of rental ledger below:

Rental Ledger 2026-0129-NL			
Date	Action	Amount	Total
December 10, 2025	Rent due	\$560.00	\$560.00
December 10, 2025	Payment	-\$550.00	\$10.00
January 10, 2026	Rent due	\$560.00	\$570.00

Landlord’s Position

11. The landlords testified that the tenant vacated the unit on 28-January-2026 with outstanding rent in the amount of \$570.00 and they stated that they are seeking rent to be paid in full up to the end of the rental period plus the maximum late fee charges of \$75.00 for a total of \$645.00

Analysis

12. Section 15 of the *Residential Tenancies Act, 2018* states:

Fee for failure to pay rent

15. (1) Where a tenant does not pay rent for a rental period within the time stated in the rental agreement, the landlord may charge the tenant a late payment fee in an amount set by the minister.

13. *Residential Tenancies Policy 12-1*; Recovery of Fees: Filing, Costs, Hearing Expense, Interest, Late Payment and NSF states:

Late payment fee:

A tenant is responsible to pay the landlord the full rent on the day the rent is due. If the rent is not paid on time, the landlord may charge the tenant a late payment fee of \$5.00 for the first day the rent is in arrears and \$2.00 for each additional day that the rent remains unpaid in any consecutive number of rental periods to a maximum of \$75.00.

14. Non-payment of rent is a violation of the rental agreement. Rent is required to be paid by a tenant(s) during the use or occupancy of a residential premises. I accept that the landlords evicted the tenant before the end of the rental period, however landlords should not incur any financial hardship due to the actions of tenants. I find that the tenant is responsible for outstanding rent for the period of 10-December-2025 to 9-February-2026 in the amount of \$570.00. In accordance with section 15 of the *Act* and section 12-1 of the *Policy* as stated above, I also find that the tenant shall pay the maximum late fee charges allowable in the amount of \$75.00.

Decision

15. The landlord's claim for rent and late fees paid succeeds in the amount of \$645.00.

Issue # 2: Compensation Paid for Inconveniences \$560.00 – \$1120.00

Relevant Submission

16. The landlords testified that they have been unsuccessful in securing a new tenant to date and they are seeking at least \$560.00 - \$1120.00 for their loss of rental income. The landlords submitted a copy of an inconvenience ledger to support the claim (LL#4). See breakdown of inconveniences ledger below:

Inconveniences Ledger 2025-0129-NL		
Damages / losses	Amount	Total
Loss of rental income (Feb 10- March 9)	\$560.00	\$560.00
Potential loss of rental income (March 10-April 9)	\$560.00	\$1,120.00

Landlord's Position

17. The landlords testified that the tenant entered into a fixed term agreement to pay \$560.00 per month and they stated that with the termination of the tenancy they are left in an unfavorable financial situation. The landlords stated that they have been unsuccessful in securing a new tenant to date and they are seeking the loss of rental income for the period of 10-February to 9-March in the amount of \$560.00 and another \$560.00 for the potential loss of rental income for the period of 10-March to 9-April in the event they do not find a suitable tenant.

Analysis

18. Section 47 of the *Residential Tenancies Act, 2018* states:

Order of Director

47 (1). After hearing an application the director may make an order

(h) directing a landlord to pay a tenant an amount as compensation for inconvenience as a result of a contravention of this Act or the rental agreement, and authorizing the tenant to offset that amount against future rent

19. In accordance with Section 47 of the *Act* as stated above, an Order can only be made against a landlord for inconveniences and not the reverse. What this means is that there is no provision in the *Act* allowing landlords to seek compensation for their inconveniences. This tribunal does not have the authority to award any compensation to a landlord for their inconveniences unless they can be identified as damages / losses. I find that the loss of rental income should have been listed as damages / losses to the landlord and shall be analyzed as such.
20. I asked the landlords if they did everything possible to mitigate their losses and they responded that they advertised the room for rent immediately and they stated that they have been unsuccessful in securing a new tenant to date and they are seeking loss of rental income until they can find a suitable tenant.
21. I accept that the eviction caused financial hardship for the landlords, and as the tenant had entered into a fixed term agreement, I find that the tenant is responsible for the landlord's loss of rental income. This tribunal cannot award loss of rental income for a period in the future, as the landlord maybe successful in securing a tenant tomorrow or the next day. Thus, I find that the tenant is responsible for the loss of rental income up to the hearing date (10-February to 3-March). Note: daily rate = $\$560 \times 12 \text{ mths} = \$6720 / 365 \text{ days} = \18.41 per day .
22. I find that the tenant is responsible for the landlord's loss of rental income for 22 days in the amount of \$405.02 (22 days x \$18.41 per day).

Decision

23. The landlord's claim for compensation paid for losses succeeds in the amount of \$405.02.

Issue # 3: Utilities Paid \$91.89

Landlord's Position

24. The landlords testified that the tenant entered into an agreement to pay 1/5 of the monthly utility bill and they stated that the tenant has not paid any utilities to date and they are seeking \$91.89. The landlords submitted a copy of a *NL Power* bill to support the claim (LL#5).

Analysis

25. Based on the testimony of the landlords and the exhibit (*NL Power* bill) entered into evidence, I find that the tenant is responsible for the utility bill in the amount of \$91.89.

Decision

26. The landlord's claim for utilities paid succeeds in the amount of \$91.89.

Issue # 4: Hearing expenses \$20.00

Analysis

27. The landlords paid an application fee of \$20.00 to *Residential Tenancies* and submitted a copy of the receipt to support the claim (LL#6). In accordance with Section 12-1 of the *Residential Tenancies Policy Manuel*, filing fees can be claimable costs. As the landlord's claim for losses succeeds, I find that the tenant is responsible for the hearing expenses.

Decision

28. The landlord's claim for hearing expenses succeeds in the amount of \$20.00.

Issue # 5: Security deposit applied against monies owed \$412.50.

Analysis

29. Section 14 of the *Residential Tenancies Act, 2018* states:

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).*

30. The landlord's claim for losses has been successful as per paragraphs 15, 23, 26 and 28 above, and as such I find that the landlord's claim to have the security deposit applied against monies owed succeeds. 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

31. The security deposit shall be applied against monies owed.

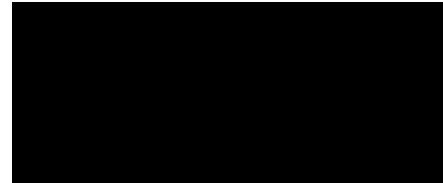
Summary of Decision

32. The tenant shall pay the landlords \$749.15 as follows:

Rent & late fees paid	\$645.00
Compensation for losses	405.02
Utilities paid	91.89
Hearing expenses	20.00
Less: security deposit & interest	412.76
 Total	 \$749.15

March 5, 2026

Date



Pamela Pennell, Adjudicator
Residential Tenancies Office