

## Residential Tenancies Tribunal

Application 2026-0177-NL

Seren Cahill  
Adjudicator

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### Introduction

1. Hearing was held on 6-May-2026 at 1:52 pm.
2. The applicant, [REDACTED], hereinafter referred to as the landlord, attended by teleconference.
3. The respondent, [REDACTED], hereinafter referred to as the tenant, also attended via teleconference.

### Preliminary Issues

4. The tenant acknowledged she was properly served.

### Issues before the Tribunal

5. Should the landlord's claim for unpaid rent, utilities, and late fees succeed?
6. What is the proper disposition of the security deposit?

### 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 (the *Act*).

### Issue 1: Rent, Utilities, and Late Fees

#### Landlord's Position

8. The landlord seeks unpaid rent and utilities for the month of January 2026 in lieu of notice, as well as late fees in the amount of \$75.00. L#1 is a NL Power Bill showing the cost of electricity, of which the landlord claims one third, as per the rental agreement (L#2). She testified that despite the month-to-month agreement, the tenant provided only one week's notice via text message. She also testified that she attempted to mitigate her

losses immediately but was unable to place a new tenant until 1-February-2026, in part because the tenant asked to not have the unit shown while she prepared to move out.

### Tenant's Position

9. The tenant says she moved out with cause. She says she had issues with the water in the rental premises and that the heat was inadequate.

### Analysis

10. S. 18(1)(b) of the *Act* requires that a tenant shall give a landlord notice of the termination of the rental agreement no less than one month before the end of a rental period where the agreement is month-to-month. The notice requirements under s. 18 do not apply when the agreement is terminated "with cause" under one of the sections between s. 19 and s. 24. In all cases a valid termination notice is required. Under s. 34(d), a notice given under the *Act* must state the section of the *Act* under which it is given. The tenant's notice did not identify the section of the *Act* under which it was given, rendering it invalid.
11. As the tenant provided inadequate notice, as this lack of notice caused the landlord a loss (in the rent and utility payments for January), and as the landlord took all reasonable steps to mitigate that loss, she is entitled to recover the loss from the tenant.
12. The tenant objects to the late fees on the basis that she was given no warning they would apply until she was served the notice of this hearing. S. 15(1) of the *Act* states that 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. A landlord does not need to give a tenant specific notice of the possibility of being charged late fees, as late fees are written into the statute. Individuals are generally understood to be responsible for knowing the law.
13. The minister has set the rate for late fees at \$5.00 for the first day and \$2.00 for each day thereafter, to a maximum of \$75.00. As more than 35 days have passed with rent outstanding, the maximum late payment fee of \$75.00 applies.

### Decision

14. The landlord's claim for unpaid rent succeeds in the amount of \$800.00. The landlord's claim for unpaid utilities succeeds in the amount of \$85.37. The landlord's claim for late fees succeeds in the amount of \$75.00.

### **Issue 2: Security Deposit**

15. The tenant objects to the landlord's claim against the security deposit. She characterizes it as a damage deposit and takes the position that it may only be applied against damages to the rental property.
16. This is a common misconception. "Damage deposit" is a commonly used colloquial term. There is no mention of a "damage deposit" in the *Act* or the rental agreement. The term

“security deposit” is used instead. A security deposit is held in trust by a landlord as security for any potential moneys owed stemming from a breach of the rental agreement, not just compensation for damages. Since the landlord is owed moneys, they may apply the security deposit against the sum owed.

17. The security deposit in this case was \$600.00 paid on 1-December-2025. 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 set a simple interest rate of 1% for the year 2025 and 0% for the year 2026, resulting in interest totaling \$0.51.

### Summary of Decision

18. The landlord was successful in their claim and may therefore seek to be reimbursed for their reasonable hearing expenses. They seek only the \$20.00 application fee, which is granted.
19. The tenant shall pay to the landlord \$379.86 as follows:

Unpaid Rent.....	\$800.00
Unpaid Utilities.....	\$85.37
Late Fees.....	\$75.00
Hearing Expenses.....	\$20.00
Less Security Deposit.....	-\$600.51
Total.....	\$379.86

14-May-2026  
Date



Seren Cahill  
Residential Tenancies Office