

Residential Tenancies Tribunal

Application 2026-0193-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 11:04 a.m. on 27-March-2026.
2. The applicant, [REDACTED], represented by [REDACTED] hereinafter referred to as “the landlord” attended by teleconference.
3. The respondent, [REDACTED], hereinafter referred to as “the tenant” attended by teleconference.

Preliminary Matters

4. The landlord submitted an affidavit with their application stating that they had served the tenant with the notice of hearing electronically by email on 12-March-2026 (LL#1). The tenant 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-June-2024, which transferred to a month-to-month tenancy in June 2025. Rent is \$1050.00 per month, due on the first day of each month. The landlord purchased the property in April 2024 and a security deposit of \$375.00 was transferred to the landlord at that time and is in the landlord’s possession.
6. Both parties were granted an opportunity to submit an updated rental ledger post hearing.
7. The issue of an illegal rent increase shall be dealt with in this decision and cannot be pursued further through the dispute resolution process.

Issues before the Tribunal

8. The landlord is seeking:
 - An Order for vacant possession of the rented premises.
 - Rent paid \$6900.00

- Security deposit applied against monies owed \$375.00

Legislation and Policy

9. The jurisdiction of the Director of Residential Tenancies is outlined in sections 46 and 47 of the *Residential Tenancies Act, 2018*.
10. Also, relevant and considered in this decision are the following sections of the *Residential Tenancies Act, 2018*: Section 14: Security deposit and Section 19: Notice where failure to pay rent.

Issue # 1: Vacant Possession of the Rented Premises

Relevant Submission

11. The landlord submitted a copy of a termination notice given on *Landlord's Notice to Terminate Early – Cause* form under Section 19: Notice where failure to pay rent. The notice was dated for 3-March-2026 to vacate on 14-March-2026 (LL#2).

Landlord's and Tenant's Positions

12. The landlord testified that rent was outstanding when he issued the termination notice on 3-March and was still outstanding on the termination date of 14-March, and he stated that he is seeking vacant possession under Section 19 of the *Act*. The landlord submitted a copy of a rental ledger to support the claim (LL#3).
13. The tenant disputed that rent is in arrears as she claimed that the landlord gave her an illegal rent increase when he purchased the property which accounts for the outstanding balance on the landlord's rental ledger. The tenant was afforded the opportunity to submit a copy of her version of the rental ledger to support her defense, however she failed to do so.
14. The landlord disputed that he gave an illegal rent increase as he testified that the initial landlord had given the tenant a standard termination notice to vacate the property at the end of May 2024 and he stated that he chose the existing tenant to be his new tenant when he purchased the property and signed a rental agreement on 15-April-2024. The landlord submitted a copy of the rental agreement to support the claim (LL#4).
15. The tenant did not dispute that her old landlord had given her a standard termination notice to end the tenancy on 31-May-2024, nor did she dispute that she signed a new rental agreement with the new landlord to commence on 1-June-2024. The tenant stated that she had 2 rent increases in the same year which constitutes an illegal rent increase.

Analysis

16. Section 19 of the *Residential Tenancies Act, 2018* states:

Notice where failure to pay rent

19. (1) Notwithstanding subsection 18(2) and paragraph 18(3)(b),

(b) where the residential premises is

i. rented from **month to month**,

- ii. *rented for a fixed term, or*
- iii. *a site for a mobile home, and*

*the amount of rent payable by a tenant is **overdue for 5 days or more**, the landlord may give the tenant notice that the rental agreement is terminated and that the tenant is required to vacate the residential premises on a specified date not less than 10 days after the notice is served on the tenant.*

(2) Notwithstanding subsection (1), where the tenant pays the full amount of the overdue rent, including a fee under section 15, before the date specified in the notice under paragraph (1)(a) or (b), the rental agreement is not terminated and the tenant is not required to vacate the residential premises.

*(3) Subsection (2) **does not apply where notice is given to a tenant under paragraph (1)(a) or (b) more than twice in a 12 month period.***

(4) In addition to the requirements under section 34, a notice under this section shall

- a. *be signed by the landlord;*
- b. *state the date on which the rental agreement terminates and the tenant is required to vacate the residential premises; and*
- c. *be served in accordance with section 35.*

17. I accept that although the tenant never moved out of the unit when the tenancy with the original landlord ended on 31-May-2024, the tenancy none the less still ended. The tenant did not dispute that the original landlord ended their tenancy when he gave her a standard termination notice to vacate on 31-May-2024. The new landlord purchased the property on 5-April-2024 which was after the termination notice was given and he stated that he chose the respondent to be his new tenant as he could have had chosen anyone. The fact that the tenant did not move out of the unit doesn't change the fact that the original tenancy ended and a new tenancy commenced on 1-June-2024. Also, I find that if the tenant felt that she received an illegal rent increase by signing the new agreement, why wait until she received a termination notice with cause almost 2 years later to address the issue. I find that the tenant has no basis for her claim that she received an illegal rent increase and as such, the rental ledger provided by the landlord shall be entered into evidence and further analyzed for the purpose of this decision.

18. I find that the tenant was in rent arrears in excess of the 5 days when the termination notice was served. On the date of termination, 14-March rent was still in arrears. I asked the landlord how he served the termination notice and he responded that he served it electronically on 3-March. In accordance with Section 19 of the *Residential Tenancies Act 2018* as stated above, the termination notice meets the requirements of the *Act* and is a valid notice.

19. I find that the tenant should have vacated the premises on 14-March-2026.

Decision

20. The tenant did not receive an illegal rent increase.

21. The landlord's claim for an order for vacant possession of the rented premises succeeds.

Issue # 2: Rent Paid \$6900.00

Relevant Submission

22. The landlord testified that rent is outstanding in the amount of \$6900.00 and he submitted a copy of a rental ledger to support the claim (LL#3). See breakdown of partial rental ledger below:

Rental Ledger 2026-0193-NL			
Date	Action	Amount	Total
November 30, 2025	Balance		\$5,300.00
December 1, 2025	Rent due	\$1,050.00	\$6,350.00
December 1, 2025	Payment	-\$500.00	\$5,850.00
January 1, 2026	Rent due	\$1,050.00	\$6,900.00
February 1, 2026	Rent due	\$1,050.00	\$7,950.00
February 1, 2026	Payment	-\$1,050.00	\$6,900.00
March 1, 2026	Rent due	\$1,050.00	\$7,950.00
March 1, 2026	Payment	-\$1,050.00	\$6,900.00

Landlord's and Tenant's Positions

23. The landlord testified that rent is outstanding dating back to September 2024 and he stated that he is seeking rent to be paid in full.
24. The tenant disputed that rent is in arrears and stated that she was given an illegal rent increase.

Analysis

25. I find that the tenant was not given an illegal rent increase as stated in paragraph 17 above. Both parties were granted an opportunity to submit a proper rent ledger, and a copy was received from the landlord only. Rent is required to be paid by a tenant(s) during the use or occupancy of the residential premises. The rental ledger is amended to show a daily rate for March as this tribunal does not consider future rent (see below).

Rental Ledger 2026-0193-NL			
Date	Action	Amount	Total
November 30, 2025	Balance		\$5,300.00
December 1, 2025	Rent due	\$1,050.00	\$6,350.00
December 1, 2025	Payment	-\$500.00	\$5,850.00
January 1, 2026	Rent due	\$1,050.00	\$6,900.00
February 1, 2026	Rent due	\$1,050.00	\$7,950.00
February 1, 2026	Payment	-\$1,050.00	\$6,900.00
March 1-27, 2026	Rent due (27 days)	\$932.04	\$7,832.04
March 1, 2026	Payment	-\$1,050.00	\$6,782.04

$$\begin{aligned} \text{Daily rate: } & \$1050 \times 12 \text{ mths} = \$12600 \\ & \$12600 / 365 \text{ days} = \$34.52 \text{ per day} \end{aligned}$$

26. I find that rent is outstanding up to and including 27-March-2026 in the amount of \$6,782.04.

27. The tenant shall pay a daily rate of rent in the amount of \$34.52 effective 28-March-2026, until such time as the landlord regains possession of the property.

Decision

28. The landlord's claim for rent paid succeeds in the amount of \$6,782.04.

Issue # 3: Security deposit applied against monies owed \$375.00

Analysis

29. 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.*

30. The landlord's claim for losses has been successful as per paragraph 28 above and as such, the security deposit shall be applied against monies owed. 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 2020-2023 was 0%, for 2024-2025 was 1% and is currently 0% for 2026. **Note:** as the security deposit was transferred to the landlord in the sale of the property, interest shall be calculated back to the date the tenant moved into the unit.

Decision

31. The landlord's claim to have the security deposit applied against monies owed succeeds.

Summary of Decision

32. The tenant shall pay the landlord \$6399.54 as follows:

Rent paid \$6782.04
Less: Security deposit & interest 382.50

Total \$6399.54

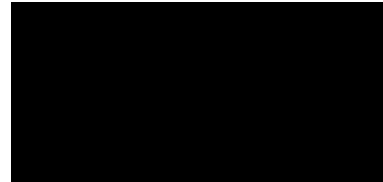
33. The tenant shall pay a daily rate of rent beginning 28-March-2026 of \$34.52, until such time as the landlord regains possession of the property.

34. The tenant shall vacate the property immediately.

35. The tenant shall pay to the landlord any costs charged to the landlord by the Office of the High Sheriff should the landlord be required to have the Sheriff enforce the attached Order of Possession.

36. The landlord will be awarded an Order of Possession.

April 7, 2026
Date



Pamela Pennell, Adjudicator
Residential Tenancies Office