

Residential Tenancies Tribunal

Application 2026-0277-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 9:05 a.m. on 28-April-2026.
2. The applicant, [REDACTED], hereinafter referred to as “the landlord” attended by teleconference.
3. The respondents, [REDACTED] and [REDACTED] hereinafter referred to as “the tenants” attended by teleconference.

Preliminary Matters

4. The landlord submitted an affidavit with his application stating that he served the tenants with the notice of hearing electronically by emails on 17-April-2026 (LL#1). The tenants confirmed receipt of the documents on that date. In accordance with the *Residential Tenancies Act, 2018* this is good service.
5. There was a verbal month-to-month rental agreement which originally commenced on 1-September-2015 in the basement apartment and the tenants moved to the main of the house on 1-December-2018. The tenants vacated the unit on 31 March 2026. Rent was \$1200.00 per month, due on the 1st day of each month. A security deposit of \$800.00 was paid on 1 September 2015 and is in the landlord’s possession.
6. The application was amended by the applicant to omit premises vacated. The respondent, [REDACTED] requested to be removed from the application, however the request is denied.
7. The disposition of the security deposit shall be dealt with in this decision

Issues before the Tribunal

8. The landlord is seeking:
 - Rent paid \$43,600
 - Security deposit applied against monies owed \$800.00

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*. Also, relevant and considered in this decision is the following section of the *Residential Tenancies Act, 2018*: Section 14: Security deposit.

Issue # 1: Rent Paid \$43,600.00

Relevant Submission

10. The landlord testified that rent is outstanding in the amount of \$43,600.00 and he stated that he is seeking rent to be paid in full. The landlord submitted a copy of a rental ledger to support the claim (LL#2).

Landlord's and Tenant's Positions

11. The landlord testified that rent has been in arrears dating back to Covid in 2020 and he stated that he is seeking to have rent paid in full.
12. The tenants did not dispute that rent is outstanding in the amount of \$43,600.00 and tenant 1 took full responsibility for the rental arrears and he stated that he is willing to work with the landlord and the courts to settle his account. Tenant 2 testified that he was unaware of any rental arrears until the end of March, stated that he gave his portion of the rent monies to tenant 1 each month, and he requested to be removed from the application.

Analysis

13. With regards to removing a tenant from an application that he has been named in and when dealing with a joint tenancy, it is possible to do so, but only if all parties voluntarily agree and mutually consent to the removal of the tenant, releasing the tenant from any future liability. The landlord was contacted post hearing, at which time he stated that he was not in favor of removing tenant 2 from the application.
14. As the tenants did not dispute the landlord's claim that rent was in arrears in the amount of \$43,600.00, I find that the tenants are responsible to pay the landlord for outstanding rent up to the end of the tenancy on 31-March-2026 in the amount of \$43,600.00.

Decision

15. The landlord's claim for rent paid succeeds in the amount of \$43,600.00.

Issue # 2: Security deposit applied against monies owed \$800.00.

Analysis

16. 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).*

17. The landlord's claim for losses has been successful as per paragraph 15 above, and as such I find that 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 2015-2023 was 0%, 2024-2025 was 1% and is currently 0% for 2026.

Decision

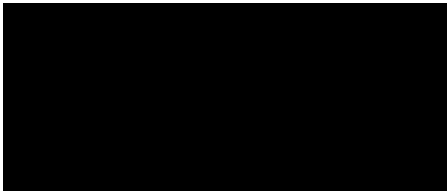
18. The security deposit shall be applied against monies owed.

Summary of Decision

19. The tenants shall pay the landlord \$42,784.00 as follows:

Rent paid	\$43,600.00
Less: security deposit & interest	816.00
 Total	 \$42,784.00

May 4, 2026
Date



Pamela Pennell, Adjudicator
Residential Tenancies Office