

Residential Tenancies Tribunal

Application 2026-0350-NL

Seren Cahill
Adjudicator

Introduction

1. Hearing was held on 4-June-2026 at 9:05 am.
2. The applicant, [REDACTED] hereinafter referred to as the landlord, attended by teleconference alongside her translator [REDACTED]
3. The respondent, [REDACTED], hereinafter referred to as the tenant, also attended by teleconference.

Preliminary Issues

4. The tenant acknowledged she was properly served.
5. This was a written fixed term lease agreement for one year, with rent set at \$1300/month due on the 1st of each month. There was a security deposit of \$975.00 which was received on 14-January-2026.

Issues before the Tribunal

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

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 (the *Act*).

Issue 1: Unpaid Rent and Late Fees

9. The landlord claims \$500.00 in unpaid rent and \$75.00 in late fees for the month of April 2026.

10. Parties agree to the essential facts of this case. On 18-March-2025, a City of St. John's inspector attended the property. Subsequently, the City issued a notice (L#1) on 23-March-2026 advising the landlord to make an application for approval to the City or to have the unit vacated and remove the apartment by removing an outlet for an electrical stove within one week. On 30-March-2026, the landlord disconnected the stove. Subsequently the tenant notified the landlord she would be reducing the rent paid by \$500.00 to account for the lost use of the stove. The tenant then vacated on 30-April-2026.
11. The landlord suggests that the City's notice constitutes frustration of contract. Frustration of contract occurs when an unforeseen event that arises without the fault of either party after the formation of a contract renders performance of the contract either impossible or radically different from what was contemplated. The landlord argues that she is without fault as she purchased the property without knowledge that the subsidiary apartment was not approved. However, ignorance of the law does not relieve a person of their obligations. Further, the letter from the City gave the landlord the option to make an application for the approval of the subsidiary apartment, which would have allowed her to fulfil her obligations. Frustration of contract does not apply.
12. The respondent did not apply for a refund of rent, and instead unilaterally decided a reduction of \$500.00 was appropriate. Generally, an argument such as this would not be heard without a formal application for a refund of rent. In this case, however, both parties came fully aware of the terms of the dispute and were prepared to discuss the issue of the stove. The purpose of requiring an application is to ensure parties are aware of the full scope of the issues at play in the hearing and can therefore come prepared. Refusing to consider the issue of a refund of rent would only "kick the can down the road," so to speak, requiring both the parties and our office to expend more time and resources for a redundant hearing on the same facts. I will consider the issue of the stove.
13. S.16(5) of the *Act* states that where a landlord discontinues a service, privilege, accommodation or benefit or a service, privilege, accommodation or benefit is unavailable for a period of time, and the discontinuance or unavailability results in a reduction of the tenant's use and enjoyment of the residential premises, the value of the discontinued service, privilege, accommodation or benefit is considered to be an increase in the amount of rent payable. In this case there is no question that a benefit was unavailable for the final month of the tenancy, and I accept the tenant's testimony that the loss of this benefit reduced the tenant's use and enjoyment of the premises. It follows that the discontinuance is considered an increase in the amount of rent payable. S.16(3) requires that, in a month-to-month tenancy, an increase of rent requires written notice not less than six months before. The loss of the stove, then, is effectively an illegal rent increase.
14. A stove is a major amenity and essential to many people. Its loss is a significant deprivation. S.16(6) allows the direction to value such a loss. In these circumstances I value it at $\frac{1}{4}$ of the rent, or \$325/month.
15. Accounting for the value of this deprivation, the landlord is still owed \$175.00.

16. 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. 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 the rent is overdue by more than 35 days, the maximum late payment fee of \$75.00 applies.

Decision

17. The landlord's application for unpaid rent succeeds in the amount of \$175.00. The landlord's application for late payment fees succeeds in the amount of \$75.00.

Issue 2: Security Deposit

18. The landlord is owed moneys and may therefore apply the sum owed against the security deposit. The tenancy has ended and the remaining security deposit must be returned to the tenant.

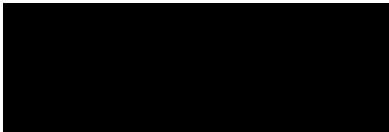
Summary of Decision

19. The landlord was partially successful in her application and may therefore seek to be reimbursed for her reasonable hearing expenses. Awards of hearing expenses are always discretionary. In this case, I believe the matter might have been avoided with a similar result if the landlord had tried to seek a compromise and admit fault and therefore decline the award.
20. The landlord shall pay to the tenant \$725.00 as follows:

Security Deposit.....	\$975.00
Less Unpaid Rent.....	-\$175.00
Late Fees.....	-\$75.00
Total.....	\$725.00

15-June-2026

Date



Seren Cahill
Residential Tenancies Office