

Residential Tenancies Tribunal

Application 2026-0353-NL

Seren Cahill
Adjudicator

Introduction

1. Hearing was held on 1-June-2026 at 9:01 am.
2. The applicant, [REDACTED], hereinafter referred to as the landlord, was represented at the hearing by [REDACTED], who attended by teleconference.
3. The respondent, [REDACTED] hereinafter referred to as the tenant, also attended by teleconference.

Preliminary Issues

4. The tenant acknowledged he was properly served.
5. The rental agreement (EX01) lists a second tenant. However, both parties agreed that the intention was for the agreement to bind the respondent as the “primary tenant” and render him the sole person ultimately responsible for the tenant's obligations. Given the agreement between the parties, I proceeded with the hearing with only two named parties.
6. This was a fixed term rental agreement with rent set at \$2050/month and a security deposit of \$1537.50.

Issues before the Tribunal

7. Should the landlord's claim for compensation for damages succeed?
8. Should the landlord's claim for unpaid utilities succeed?
9. Should the landlord's claim for other compensation succeed?
10. What is the proper disposition of the security deposit?

Legislation and Policy

11. 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: Damages

12. The landlord claims \$1842.42 in compensation for damages, divided amongst 4 items. In accordance with the Residential Tenancies Program Policy and Procedure Guide, Policy 9-003, when a landlord makes a claim for damages, they must provide sufficient evidence to establish the extent and nature of any damages, that the damage was caused by a wilful or negligent act of a tenant or a person they allowed on the premises, and the cost of repair or replacement. This should include documentary evidence wherever reasonably possible.
13. First, the landlord claims \$462.88 for the cost of cleaning the premises, as they say the tenant left the unit in an unclean state. EX11-EX14 show the need for cleaning at the time the tenant vacated. These exhibits include pictures of several appliances and locations in the premises that require cleaning. EX16 shows an invoice for the cost of cleaning the premises, totaling \$462.88.
14. Under s. 10(1) of the *Act*, statutory condition 2 states that the tenant shall keep the residential premises clean and shall repair damage caused by a wilful or negligent act of the tenant or of a person whom the tenant permits on the residential premises. A tenant is therefore responsible for returning the premises in a clean condition.
15. This portion of the landlord's claim succeeds in the amount of \$462.88.
16. Second, the landlord claims \$1239.12 for the cost of restoring damages. EX17 shows the invoice for this. It includes labour costs totaling \$885.50 for the cost of plastering, sanding, and painting surfaces throughout the premises and includes one hour for the cost of labour to repair a broken light switch. EX15 shows the broken switch, as well as damaged surfaces throughout the premises.
17. The tenant correctly pointed out that he is responsible for the wilful or negligent acts of himself and anyone he permitted on the premises. He takes the position that the damage shown is not negligent or wilful, merely normal wear and tear. He particularly highlights that the humid condition of the premises would cause it to deteriorate more quickly than normal.
18. Whether or not an act is negligent, legally speaking, turns on whether the person who committed the act exercised the level of care that a reasonably prudent person would use in similar circumstances. The damages shown are beyond what one would normally expect to see from a tenancy of this length, even considering the deleterious effect of increased humidity. Absent some evidence to the contrary, the natural inference from these pictures is that the damage was the result of negligent acts.
19. The cost of plastering, sanding, and replacing the broken switch stand on their own – these items can last a lifetime if treated well. On the other hand, paint is subject to depreciation. The landlord's representative was unable to testify as to the age of the paint, and I have no other evidence to use to assess it. I therefore draw an adverse

inference against the landlord and will proceed as if the paint has exceeded its life expectancy. In this case, the tenant is responsible for only the portion of the claim for damages excluding the cost of painting, which I estimate to be about \$402.50 (excluding the 8 hours listed as painting only and half of the eight hours listed as sanding and painting).

20. The landlord also included in this part of their claim \$353.62 in materials. They indicated the receipts for these materials were available on request. Unfortunately, the rules of evidence of this tribunal (based on the overriding administrative law principle of procedural fairness) dictate that evidence to be relied upon must be sent in advance of the hearing to allow the other party a chance to review it and respond.
21. This portion of the landlord's claim succeeds in the amount of \$402.50.
22. Third, the landlord claims \$140.42 for the cost of replacing a doorknob with a thumbprint lock. They say that this was necessary because the tenant failed to return the keys. The cost of labour and materials can be seen in EX20 and EX21 to total \$140.42.
23. The tenant submits that there was never a request in writing for him to return the keys. The landlord argues that this is unnecessary and that the return of the keys is an implied condition of the lease agreement. I agree with the landlord. Returning the keys at the end of a tenancy is not just a common practice, but a necessary part of handing over vacant possession.
24. This portion of the landlord's claim succeeds in the amount of \$140.42.

Decision

25. The landlord's claim for compensation for damages succeeds in the amount of \$1005.80.

Issue 2: Unpaid Utilities

26. The landlord claims \$307.80 in unpaid utilities, including \$283.68 for a NL Power bill (EX18) for a meter reading on 20-February-2026 and \$23.40, representing one fifth of a Bell Aliant bill (EX19).
27. The tenant says he paid all the bills he received during the tenancy. However, the nature of billing is that the final bills would not have been received by the landlord until after the tenancy had ended.
28. As parties agreed to end the tenancy at the beginning of February 2026 and the meter reading was for 20-February-2026, it must be pro-rated. This results in a total electricity cost outstanding of \$104.02.

Decision

29. This portion of the landlord's claim succeeds in the amount of \$127.42.

Issue 3: Other Compensation

30. The landlord seeks \$1025.00 for a “finder’s fee,” what the property management company traditionally charges property owners to find a new tenant. In normal circumstances, this would not be the responsibility of the tenant. In this case, however, they say the tenant agreed to pay the fee in exchange for their consent to end the tenancy early (see EX06).
31. The tenant admits he agreed to this exchange. He says that at that time he intended for the fee to come from the security deposit. In addition to the landlord’s other claims, it exceeds the security deposit and therefore presents him with financial difficulty.
32. In reaching the agreement they did, the landlord gave up the right to pursue the tenant for rent in lieu of notice and released him from liability for rent and utilities past the date of his vacancy. There was an exchange of value from both parties. In legal terms, there was consideration on both sides. This renders the agreement into a simple, informal contract, and makes it enforceable in law. I see no reason not to uphold it, notwithstanding the tenant’s potential financial difficulties.

Decision

33. The landlord’s claim for other compensation succeeds in the amount of \$1025.00.

Issue 4: Security Deposit

34. The landlord is owed moneys and may therefore apply the security deposit against the sum owed.
35. 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. In the present case, the security deposit was paid on 25-August-2024. The regulations prescribe a simple interest rate of 1% annual for the years 2024 and 2025, and an interest rate of 0% for the year 2026. Calculated to the date of the hearing, the interest totals \$20.80.

Summary of Decision

36. 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.
37. The tenant shall pay to the landlord \$619.92 as follows:

Damages.....	\$1005.80
Unpaid Utilities.....	\$127.42
Other Compensation.....	\$1025.00
Hearing Expenses.....	\$20.00
Less Security Deposit.....	-\$1558.30

4-June-2026

Date



Seren Cahill
Residential Tenancies Office