Residential Tenancies Tribunal

Application 2026-0391-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at [redacted]. on 11 June 2026.

2. The applicant, [redacted], hereinafter referred to as “the tenant” attended by teleconference.

3. The respondent, [redacted], hereinafter referred to as “the landlord attended by teleconference.

Preliminary Matters

4. The tenant submitted an affidavit with her application stating that she had served the landlord with the notice of hearing electronically by email to on 5 May 2026 (TT#1). The landlord confirmed receipt of the document on that date. In accordance with the *Residential Tenancies Act, 2018,* this is good service*.*

5. There was a 12-month fixed-term rental agreement which commenced on 16 February 2026. The tenant vacated the unit on 1 May 2026. Rent was $1000.00 per month, due on the first day of each month. A security deposit of $750.00 was paid on 7 February 2026 and is in the landlord’s possession.

6. The application was amended to omit vacant possession as it does not apply to the tenant.

Issues before the Tribunal

7. The tenant is seeking:
    - Security deposit refunded $750.00

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

Issue # 1: Security Deposit Refunded $750.00

Tenant's Position

9. The tenant testified that the landlord did not refund the security deposit when the tenancy ended, and she stated that she is seeking a full refund of the security deposit in the amount of $750.00 that was paid on 7 February 2026.

10. The landlord did not dispute that he has the security deposit in his possession. I asked the landlord if he made an application against the tenant to retain the security deposit for any reason, and he responded that he had not.

Analysis

11. 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.

12. In accordance with Section 14 of the *Act* as stated above, the landlord and the tenant did not enter into an agreement whereby the landlord was granted permission to retain the security deposit, and as the security deposit is not an asset of the landlord, there was an obligation for the landlord to refund the security deposit within 10 days after the tenancy ended. Based on the testimony of the tenant and the landlord, I accept that the security deposit was paid to the landlord on 7 February 2026 in the amount of $750.00.

13. I find that the landlord shall refund the security deposit to the tenant, and pursuant to the *Residential Tenancies Act, 2018* the landlord must pay interest on the security deposit to the 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 is currently 0% for 2026.

Decision

14. The tenant's claim for a refund of security deposit succeeds.

15. The landlord shall refund the security deposit to the tenant in the amount of $750.00.

[redacted]

June 17, 2026
Date

Pamela Pennell, Adjudicator
Residential Tenancies Office