

Residential Tenancies Tribunal

Application 2026-0407-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 1:49 p.m. on 4 June 2026.
2. The applicants, [REDACTED] and [REDACTED], hereinafter referred to as “the landlords” attended by teleconference.
3. The respondent, [REDACTED], hereinafter referred to as “the tenant” attended by teleconference. **Note:** The respondent was named on the application and the rental agreement as [REDACTED] however, he informed this tribunal that his legal name is [REDACTED]

Preliminary Matters

4. The landlords submitted an affidavit with their application stating that they had served the tenant electronically by email on 8 May 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 is a fixed term rental agreement which commenced on 1 December 2025 to end on 30 November 2026. Rent is \$2600.00 per month, due on the 1st day of each month. A security deposit of \$1300.00 was paid on 19 November 2025 and is in the landlord's possession. The tenant disputed that he was in a residential tenancy relationship as he never resided at the premises and rented the unit to clients. It is determined that the tenant is in a residential tenancy relationship with the landlords as per the rental agreement (LL#2).
6. The application was amended to increase rent paid from \$400.00 as per the application to \$5600.00 and to include hearing expenses. The disposition of the security deposit shall be dealt with in this hearing.

Issues before the Tribunal

7. The landlord is seeking:
 - An order for vacant possession of the rented premises.
 - Rent paid \$5600.00

- Hearing expenses \$20.00
- Security deposit to be applied against monies owed \$1300.00

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 19: Notice where failure to pay rent. Also, relevant and considered in this decision is the following section of the *Residential Tenancies Policy*: Section 12-1: Recovery of costs.

Issue # 1: Vacant Possession of the Rented Premises

Relevant Submission

9. The landlord submitted a copy of a termination notice given on a *Landlord's Notice to Terminate Early – Cause* form under Section 19: Notice where failure to pay rent and Section 22: Notice where the tenant's obligation is not met. The notice was dated for the 7 April 2026 to vacate on 18 April 2026 (LL#3).

Landlord's and Tenant's Positions

10. The landlords testified that rent was outstanding when the termination notice was given on 7 April, and they stated that rent was still outstanding on the termination date of 18 April. The landlords are seeking vacant possession under Section 19 of the *Act*.
11. The tenant did not dispute that he received the termination notice on 7 April, nor did he dispute that rent was in arrears; however, he stated that he and the landlords had come to a resolution so his clients could remain in the unit. I asked the landlords if they had mutually agreed to any terms whereby the termination notice was rescinded and they responded that they had not.

Analysis

12. 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

- rented from month to month,***
- rented for a fixed term, or***
- 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.*

13. A notice of termination can be set aside when both parties clearly agree to do so, and although the tenant stated that they had arrived at a resolution, the landlord disputed that such a resolution occurred. I find that the tenant failed to provide evidence of a mutual agreement, written or otherwise to support his statement.

14. The tenant was in rent arrears in excess of the 5 days when the termination notice was served. On the date of termination, 18 April rent was still in arrears. In accordance with Section 19 of the *Act* as stated above, the termination notice meets the requirements of the *Act* and is a valid notice.

15. I find that the tenant should have had his clients vacate the premises on 18 April 2026.

16. While a termination notice referenced more than one provision of the *Act*, the landlord is only required to establish the validity of one of the cited grounds. As the landlords have been successful in obtaining vacant possession under Section 19 of the *Act*, Section 22 shall not be analyzed for the purpose of this decision.

Decision

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

Issue # 2: Rent Paid \$5600.00

Relevant Submission

18. The landlords testified that rent is outstanding in the amount of \$5600.00, and they submitted a rental ledger to support the claim (LL#4). See breakdown of partial rental ledger below:

Rental Ledger 2026-0407-NL			
Date	Action	Amount	Total
January 30, 2026	Balance		-\$1,000.00
February 1, 2026	Rent due	\$2,600.00	\$1,600.00
March 1, 2026	Rent due	\$2,600.00	\$4,200.00
March 3, 2026	Payment	-\$3,500.00	\$700.00
March 13, 2026	Payment	-\$300.00	\$400.00
April 1, 2026	Rent due	\$2,600.00	\$3,000.00
April 2, 2026	Payment	-\$2,600.00	\$400.00
May 1, 2026	Rent due	\$2,600.00	\$3,000.00
June 1, 2026	Rent due	\$2,600.00	\$5,600.00

Landlord's and Tenant's Positions

19. The landlords testified that rent is outstanding dating back to February 2026 with a current balance of \$5600.00 up to the end of June 2026, and they stated that they are seeking rent to be paid in full.
20. The tenant did not dispute that rent was outstanding in the amount of \$5600.00; however, he reiterated that he and the landlords had arrived at a resolution whereby his clients could remain in the unit. As per paragraph 11 above, it was determined that no such resolution was ever reached and the tenant failed to provide any evidence to support his statement.

Analysis

21. Non-payment of rent is a violation of the rental agreement. Rent is required to be paid by a tenant(s) during the use or occupancy of residential premises. The rental ledger is amended to show a daily rate for June as this tribunal does not consider future rent (see below).

Amended Rental Ledger 2026-0407-NL			
Date	Action	Amount	Total
January 30, 2026	Balance		-\$1,000.00
February 1, 2026	Rent due	\$2,600.00	\$1,600.00
March 1, 2026	Rent due	\$2,600.00	\$4,200.00
March 3, 2026	Payment	-\$3,500.00	\$700.00
March 13, 2026	Payment	-\$300.00	\$400.00
April 1, 2026	Rent due	\$2,600.00	\$3,000.00
April 2, 2026	Payment	-\$2,600.00	\$400.00
May 1, 2026	Rent due	\$2,600.00	\$3,000.00
June 1-4, 2026	Rent due (4 days)	\$341.92	\$3,341.92

Daily rate: \$2600 x 12 mths = \$31,200
\$31,200 / 365 days = \$85.48 per day

22. I find that rent is outstanding up to and including 4 June 2026 in the amount of \$3341.92.
23. The tenant shall pay a daily rate of rent in the amount of \$85.48 effective 5 June 2026, until such time as the landlords regain possession of the property.

Decision

24. The landlord's claim for rent paid succeeds in the amount of \$3341.92.

Issue # 3: Hearing Expenses \$20.00

Analysis

25. The landlords paid an application fee of \$20.00 to *Residential Tenancies* and submitted a copy of the receipt to support the claim (LL#5). In accordance with Section 12-1 of the *Residential Tenancies Policy Manuel*, filing fees can be claimable costs. As the landlord's claim for losses succeeds, I find that the tenant is responsible for the hearing expenses.

Decision

26. The landlord's claim for hearing expenses succeeds in the amount of \$20.00.

Issue # 4: Security deposit applied against monies owed \$1300.00

Analysis

27. 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).*

28. The landlord's claim for losses has been successful as per paragraphs 23 and 25 above, and as such I find that the landlord's claim to have the security deposit applied against monies owed succeeds. 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 2025 was 1% and is currently 0% for 2026.

Decision

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

Summary of Decision

30. The tenant shall pay the landlords \$2060.39 as follows:

Rent paid	\$3341.92
Hearing expenses	20.00
Less: security deposit & interest.....	1301.53
Total	\$2060.39

31. The tenant shall pay a daily rate of rent beginning 5 June 2026 of \$85.48, until such time as the landlords regain possession of the property.

32. The tenant shall vacate the property immediately.

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

34. The landlords will be awarded an Order of Possession.

June 10, 2026

Date



Pamela Pennell, Adjudicator
Residential Tenancies Office