

Residential Tenancies Tribunal

Application 2026-0474-NL & 2026-0580-NL

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Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 9:04 a.m. on 10 September 2026.
2. The applicants, [REDACTED] (tenant 1) and [REDACTED] (tenant 2), hereinafter referred to as “the tenants” attended by teleconference.
3. The respondents and counter applicants, [REDACTED] (landlord 1) and [REDACTED] (landlord 2), hereinafter referred to as “the landlords” attended by teleconference.

Preliminary Matters

4. The tenants submitted an affidavit with their application stating that they had served landlord 1 with the Notice of Hearing electronically by email on 21 May 2026 (TT#1). Landlord 1 confirmed receipt of the document on that date and landlord 2 who was not served waived service and wished to proceed. The landlords countered the claim and submitted an affidavit with their application stating that they had served the tenants with the Notice of Hearing electronically by email on 12 August 2026 (LL#1). The affidavit did not contain proper email addresses used for the purpose of service, however 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 fixed-term rental agreement which commenced on 1 April 2025. The tenants vacated the unit on 31 March 2026. Rent was \$1400.00 per month, due on the first day of each month. A security deposit of \$700.00 was paid on 4 March 2025 and \$218.32 was refunded to the tenants on 29 May 2026. The remainder of the security deposit in the amount of \$481.68 is in the landlord's possession.
6. The tenants amended their application to decrease the amount of the security deposit to be refunded from \$700.00 as per the application to \$481.68.

Issues before the Tribunal

7. The tenants are seeking:
 - Refund of security deposit \$481.68

8. The landlords are seeking:
- Compensation paid for damages \$481.68
 - Hearing expenses \$20.00
 - Security deposit applied against monies owed \$481.68

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*.
10. Relevant and considered in this decision is the following section of the *Residential Tenancies Act, 2018* - Section 14: Security deposit. Also, relevant and considered in this decision are the following sections of the *Residential Tenancies Policy Manual* - Section 9-3: Damages to property, Section 9-5: Depreciation and life expectancy of property and Section 12-1: Recovery of costs.

Issue # 1: Compensation Paid for Damages \$481.68

Relevant Submission

11. The landlords testified that there were damages to the unit that needed to be repaired / replaced and they stated that they are seeking \$481.68 to cover the cost to complete the work. The landlords submitted a copy of a damages ledger to support the claim (LL#2). See copy of damages ledger below:

Item #	Description of Damages	Compensation Claimed
E.g.	3cm x 3cm hole in bathroom wall	\$ 75.00
1	Tube contractor budget for repair Work	\$ 300.00
2	Tub Paint	\$ 74.74
3	Bifold door	\$ 106.94

Landlord's and Tenant's Positions

12. The landlord's and tenant's positions on each item are as follows:

Item # 1: Paint for bathtub (\$74.74) – The landlords testified that the bathtub had damage which required repair work and landlord 2 stated that they had to purchase paint to complete the work and they are seeking \$74.74 for the cost of the paint. The landlords submitted a photograph of the bathtub (LL#3) and an invoice from [REDACTED] to support the claim (LL#4).

The tenants did not dispute that the damage to the bathtub occurred during the tenancy, however they disputed that they caused the damage and tenant 2 stated that the bathtub was old and had scratches on it when they moved into the unit and he stated that the damage was the result of normal wear and tear based on its age.

Item # 2: Replace bifold door (\$106.94) – The landlords testified that a bifold door in the front porch area of the unit was damaged with the top bracket cracked off and they stated that a nail had been inserted into the top of the door. The landlords stated that the bifold door needs to be replaced and they are seeking \$106.94 to cover the cost to replace the door. The landlords submitted a photograph of the damaged bifold door

(LL#5) and a copy of an invoice from [REDACTED] to support the claim (LL#6).

The tenants did not dispute that the damage to the bifold door occurred during the tenancy, however they disputed that they caused the damage and tenant 1 stated that they made every attempt to repair the door once they noticed it was broken.

Item # 3: Labor costs (\$300.00) – The landlords testified that they hired a worker with [REDACTED] to repair the bathtub and to replace the bifold door and they stated that the handyman charged \$300.00 for his time and they are seeking to be reimbursed for the cost. The landlords submitted a copy of an electronic message and a written receipt from the handyman to support the claim (LL#7).

The tenants disputed that they were responsible for the damages thus they also disputed any labor costs associated with the work.

Analysis

13. In accordance with *Residential Tenancies Policy 9-3*, the applicant is required to show:

- *That the damage exists;*
- *That the respondent is responsible for the damage, through a willful or negligent act;*
- *The value to repair or replace the damaged item(s)*

14. The tenants referred to Section 14 of the *Act* while presenting their defense, stating that the landlord violated that section of the *Act* when they failed to return the deposit or file an official claim within the mandatory 10-day statutory window, and as such they wished to have the security deposit refunded to them in full without reviewing the landlord's claim for damages. I find that the tenant's interpretation of Section 14 of the *Act* is incorrect and in accordance with Section 42 of the *Act*, this tribunal has an obligation to adjudicate any claim submitted within 1 year after the tenancy ends.

15. Each item is analyzed as follows:

Item # 1: Paint for bathtub (\$74.74) – Based on the testimony of the landlords and the tenants, and based on the photograph entered into evidence, and in accordance with Section 9-3 of the *Policy* as stated above, I accept that there was damage to the bathtub, and I accept that the damage occurred during the tenancy. I asked the landlords the age of the bathtub and landlord 2 responded that the house was renovated in 1996 and most likely the bathtub dates to that time, he also added that the bathtub was not ceramic and it appeared to him that an abrasive product used by the tenants took the finish of the bathtub.

In accordance with Section 9-5 of the *Policy*: Depreciation and life expectancy of property, depreciation shall be taken into consideration when awarding compensation for damages. Research shows that non-ceramic bathtubs can last up to 30 years, and as the bathtub was approximately 31 years old, I find that the bathtub had surpassed its life cycle, and as such I find that the tenants are not responsible for the cost of paint used to repair the bathtub.

Item # 2: Replace bifold door (\$106.94) – Based on the testimony of the landlords and the tenants, and based on the photograph entered into evidence, and in accordance with Section 9-3 of the *Policy* as stated above, I accept that there was damage to the bifold door, and I accept that the damage occurred during the tenancy.

I asked the landlords the age of the bifold door and landlord 2 responded that the bifold door was approximately 20 years old. In accordance with Section 9-5 of the *Policy*, Depreciation and life expectancy of property, closet doors can last for life, and as such, I find that depreciation shall not be taken into consideration when awarding compensation for the damage to the bifold door. I accept the invoice entered into evidence and I find that the tenants are responsible for the cost to replace the bifold door in the amount of \$106.94.

Item # 3: Labor costs (\$300.00) – Based on the testimony of the landlords and the tenants, and based on the exhibit entered into evidence, I accept that the handyman charged the landlords \$300.00 for the cost of labor to complete both jobs. As it has been determined that the tenants are not responsible for the damage to the bathtub, they shall not be responsible for the portion of the labor costs associated with the repairing of the bathtub, however I find that the tenants are responsible for the labor costs associated with replacing the bifold door.

The question is how much of the labor costs are associated with each job. I accept that it would take much longer to repair the bathtub than to replace the bifold door, and I shall allocate the costs equitably as follows: 3/4 of the cost of labor to the bathtub repairs and 1/4 of the cost to replacing the door. I find that the tenants are responsible for the labor costs to replace the bifold door in the amount of \$75.000 (\$300.00 x 1/4).

Decision

16. The landlords claim for compensation for damages paid succeeds in the amount of \$181.94.

Issue # 2: Hearing expenses \$20.00

Analysis

17. The landlords paid an application fee of \$20.00 to *Residential Tenancies* and submitted a copy of the receipt to support the claim (LL#8). 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 partially succeeds, I find that the tenants are responsible for the hearing expenses.

Decision

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

Issue # 3: Security deposit applied against monies owed Refund of Security Deposit

Analysis

19. 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.

20. The landlord's claim for losses has been successful as per paragraph 16 and 18 above, and as such, the security deposit shall be applied in part 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 2025 was 1% and is currently 0% for 2026. **Note:** interest calculated up to the hearing date equates to \$5.81.

Decision

- 21. The tenant's claim for refund of security deposit partially succeeds.
- 22. The landlord's claim to have the security deposit applied against monies owed succeeds.

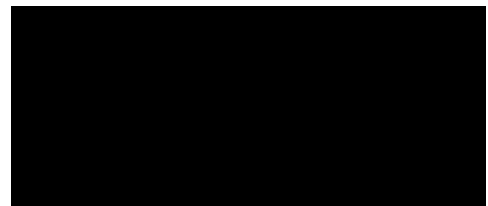
Summary of Decision

- 23. The landlords shall refund the security deposit in part plus interest to the tenants in the amount of \$285.55.
- 24. The tenants shall pay the landlords \$0.00 as follows:

Compensation for damages	\$181.94
Hearing expenses	20.00
Less: security deposit	201.94
Total	\$0.00

October 02, 2026

Date



Pamela Pennell, Adjudicator
Residential Tenancies Office