

Residential Tenancies Tribunal

Application 2026-0480-NL

Pamela Pennell
Adjudicator

Introduction

1. Hearing was called at 1:59 p.m. on 9 July 2026.
2. The applicant, [REDACTED] hereinafter referred to as “the tenant” attended by teleconference. The applicant, [REDACTED] hereinafter referred to as “the tenant” did not attend.
3. The respondent, [REDACTED], hereinafter referred to as “the landlord” did not attend.

Preliminary Matters

4. The landlord was not present or represented at the hearing and I was unable to reach him by telephone at the start of the hearing. This Tribunal’s policies concerning notice requirements and hearing attendance have been adopted from the *Rules of the Supreme Court, 1986*. According to Rule 29.05(2)(a) respondents to an application must be served with the claim and notice of hearing 10 clear days prior to the hearing date and, where the respondent fails to attend the hearing, Rule 29.11(1) states that the hearing may proceed in the respondent’s absence so long as he has been properly served.
5. The tenants submitted an affidavit with their application stating that they had served the landlord with the notice of hearing electronically by email to; [REDACTED] on 26 June 2026 (TT#1). The tenants submitted proof of service (TT#2). In accordance with the *Residential Tenancies Act, 2018* this is good service. As the landlord was properly served, and as any further delay in these proceedings would unfairly disadvantage the tenants, I proceeded with the hearing in his absence.
6. There was a written month-to-month rental agreement which was scheduled to commence on 5 April 2026. The tenants never took possession. Rent was listed as \$700.00 per month, due on the first day of each month. A security deposit of \$560.00 was paid on 4 April 2026 and is in the landlord’s possession.

Issues before the Tribunal

7. The tenants are seeking:
 - Compensation paid for Inconvenience \$2959.19
 - Security deposit refunded \$560.00
 - Hearing expenses \$65.00

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*.
9. 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 is the following section of the *Residential Tenancies Policy Manual* - Section 12-1: Recovery of costs.

Issue # 1: Compensation Paid for Inconvenience \$2959.19

Relevant Submission

10. The tenant testified that they entered into a rental agreement with the landlord to take possession of the unit on 5 April 2026. However, due to false information provided by the landlord and the actions of the landlord they were unable to take possession of the unit on the date they arrived in the province. The tenant stated that they are seeking compensation for their inconveniences in the amount of \$2959.19. The tenant submitted a copy of an Inconvenience ledger to support the claim (TT#3). See copy of inconvenience ledger below:

Inconvenience Ledger 2026-0480-NL		
Damages / losses	Amount	Total
Cost of AirB&B (April 6-11, 2026)	\$662.00	\$662.00
Cost of Hotel (April 11, 2026)	\$156.13	\$818.13
Cost of AirB&B (April 12-May 1)	\$2,033.15	\$2,851.28
Cost of transportation	\$107.91	\$2,959.19

Tenant's Position

11. The tenant testified that she and her sister entered into a rental agreement with the landlord to rent a room at the residential premises commencing 5 April 2026, and she testified that they did not arrive in the province until the following day due to a delayed flight during a snowstorm. She stated that they were in full communication with the landlord, and he understood their delay and promised to meet them at the unit on the following day once they arrived. The tenant stated that the landlord was not at the unit as promised when they arrived at 3:47 pm on 6 April 2026, and she stated that when they gained access to the unit, it was brought to their attention that there were 4 other persons residing in the upstairs area of the unit and several others who were living downstairs, all of whom would be sharing the common spaces with them. The tenant stated that this was a breach of the rental agreement as they entered into an agreement to share the common spaces with 2 other people, and she stated that they feared for their safety in the unit at that point.

12. In addition to the large number of occupants residing at the premises, the tenant testified that the unit was dirty, and she stated that they were unable to sleep in the bed on their first night there as the mattress was extremely dirty with bugs, the fridge was dirty and the bathroom was dirty. The tenant stated that this put them in a tough situation, and she stated that they were fortunate to find an Airbnb for that night and the following 4 nights while working with the landlord to find a more suitable unit. The tenants submitted a video of the condition of the unit to support their claim (LL#4).
13. The tenant stated that the landlord was trying to find another unit for them as he accepted their reasons for not staying at the residential premises and she stated that they were informed on 11 April that he would not be able to assist them any longer in securing a new place and the tenant stated that they once again found themselves in another tough situation and had no choice but to rent a hotel room for the night of 11 April. The tenant stated that it was at this point that they realized that they could not trust the landlord to find them a new unit, and they decided to aggressively seek a new unit to rent, and the tenant stated that they were successful but could not take possession until 1 May. The tenant stated that they were homeless once again with no family or friends to help them and she stated that they were fortunate to find another Airbnb with availability up to the end of the month. The tenant stated that they had no choice but to take it as the cost to stay at the hotel was out of their budget. The tenants submitted invoices to support their claims (TT#5).
14. The tenant testified that they also incurred the cost of uber rides in the amount of \$107.91 to commute from the residential premises to the Airbnb's and to the hotel and she stated that they are seeking to be reimbursed in full for their unexpected cost of transportation. The tenants submitted a breakdown of the routes that they had to take and the cost for each route during the time they were homeless (LL#6).

Analysis

15. Based on the testimony of the tenant and based on the video entered into evidence, I accept that the refrigerator was dirty and needed to be cleaned and I accept that the mattress was destroyed and needed to be replaced. I am unable to determine if there were bugs in the mattress, but in any event, the mattress was not in a condition for use. I find that those are not reasons to end the tenancy, as the tenants could have stayed at a different location until the mattress was replaced and the unit cleaned. I asked the tenant if they had seen photographs of the unit prior to entering into the rental agreement and she responded that they had, however there were no photographs of the inside of the refrigerator or any photographs of the actual mattress.
16. With regards to the large number of occupants residing at the residential premises, I find that the landlord was deceitful in telling the tenants that there would only be 2 other tenants residing in the unit that would be sharing common spaces. I accept the tenant's testimony that this was a breach of the rental agreement, and I accept that they were scared to stay in the unit.
17. With everything combined and given the fact that the landlord was actually assisting the tenants to find a new unit, I accept that the landlord agreed that the tenants had legitimate reasons to end the tenancy. As for the costs claimed by the tenants, I find that the tenants tried their best to keep the cost as low as possible and I accept that they made every attempt to be situated in a new more suitable unit as soon as possible. I also accept that the tenants did not expect to incur all those costs when they arrived in the province, and I accept that they were under the impression that they had a suitable

place to live secured. I find that the tenants acted in a reasonable manner in renting an Airbnb where possible except for having to stay at a hotel for 1 night. I also accept that the uber costs incurred were legitimate expenses as they had no other means of transportation. For those reasons, I find that the landlord is responsible for the cost of the tenant's inconveniences as sought in the ledger above.

18. In review of the receipts entered into evidence, I find that the landlord shall pay the tenants \$156.13 for the hotel, \$2694.57 for the Airbnb's and \$107.91 for the cost of uber rides for a total of \$2958.61.

Decision

19. The tenant's claim for compensation for Inconvenience succeeds in the amount of \$2958.61.

Issue # 2: Security Deposit Refunded \$560.00

Analysis

20. 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.
21. The landlord failed to refund the security deposit to the tenants, and he also failed to make an application to retain the security deposit. In accordance with Section 14 of the *Act* as stated above, I accept that the security deposit is not an asset of the landlord, and as such, I find that the landlord shall refund the security deposit in full to the tenants. Pursuant to the *Residential Tenancies Act, 2018* the landlord must pay interest on a security deposit to a tenant(s) 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 2026 is 0%.

Decision

22. The tenant's claim to have the security deposit refunded succeeds in the amount of \$560.00.

Issue # 3: Hearing expenses \$65.00

Analysis

23. The tenants paid an application fee of \$20.00 to *Residential Tenancies* and incurred *Commissioner of Oath* fees in the amount of \$45.00. The tenants submitted copies of receipts to support the claim (LL#7). In accordance with Section 12-1 of the *Residential Tenancies Policy Manual*, claimable costs may include the filing fee and other administrative expenses. As the tenant's claim for losses has been successful, I find that the landlord is responsible for the hearing expenses in the amount of \$65.00.

Decision

The landlord's claim for hearing expenses succeeds in the amount of \$65.00.

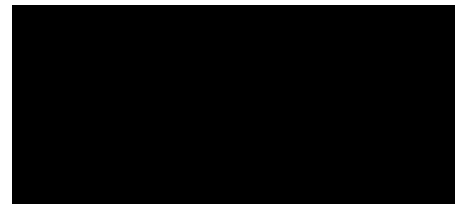
Summary of Decision

24. The landlord shall pay the tenants \$3583.61 as follows:

Compen. for inconvenience	\$2958.61
Hearing expenses	65.00
Security deposit refunded	560.00
Total	\$3583.61

July 24, 2026

Date



Pamela Pennell, Adjudicator
Residential Tenancies Office