

Residential Tenancies Tribunal

Application 2025-0463-NL

Michael Reddy
Adjudicator

Introduction

1. Hearing was called at 9:05 AM on 7-August-2025.
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 (T#1) with the application stating the landlord had been served electronically ([REDACTED]) at approximately 11:41 PM on 24-July-2025. The landlord did not dispute this service. In accordance with the *Residential Tenancies Act, 2018* (the *Act*), this is considered good service.
5. There was a written monthly rental agreement which commenced in September-2021 until 15-April-2025, with rent set at \$1200.00 due on the 1st of each month. The tenant vacated the rental premises after receiving a Section 19 termination notice (T#2) on 15-April-2025. A security deposit of \$900.00 was collected on 2-September-2021 still in the possession of the landlord.
6. The tenant amended his application reducing his claim for refund of rent to \$48000.00.

Issues before the Tribunal

7. The tenant is seeking the following:
 - Refund of the Security Deposit
 - Refund of rent in the amount of \$48000.00

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 (the Act)*.
9. Also, relevant and referred to in this decision is Section 14 of the *Act*, along with Policy 13-002: *Rental Increases and Rebates*, of the Residential Tenancies Program.

Issue 1: Refund of Security Deposit plus interest

Relevant Submission

10. The tenant is seeking refund of \$900.00 plus interest for the security deposit.

Tenant Position

11. The tenant testified he paid the security deposit on 2-September-2021 after he arrived at the rental premises. Along with his application, the tenant supplied evidence related to the security deposit payment (T#3).
12. The tenant stated in March-2025, he was experiencing “financial struggles” and there was a “mutual agreement” between both parties for the landlord to “keep” the security deposit and he would pay an additional \$300.00 for outstanding rent.
13. The tenant testified there was no dispute between he and the landlord about the security deposit, yet “this was before I learned about my rights” and questioned the legality of the rental premises. He expressed concerns he was being “exploited” and there was no reason why he should not be refunded the security deposit.
14. The tenant stated on 15-April-2025, he received a termination notice from the landlord in relation to non-payment of rent (T#2).

Landlord Position

15. The landlord testified the tenant had informed her he was experiencing financial challenges and the tenant “presented” two options related to non-payment of rent for March-2025: the first was to keep the security deposit and he would pay an additional \$300.00 when he obtained the money; and the second option was for her to evict the tenant. The landlord stated both parties agreed to the first option.

16. The landlord stated the tenant sent her \$300.00 for the remainder of the rent for March-2025. She testified she texted the tenant the termination notice in April-2025 and asked if he was going to pay rent and he informed her he would not be paying rent or moving out.

Analysis

17. 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.

18. Both parties testified there were discussions in relation to the security deposit; however, there was no evidence presented to suggest the parties entered into a written agreement as specified in Section 10 (a).

19. There was no dispute that the landlord received the Application for Dispute Resolution on 24-July-2025. In accordance with Section 14(9) of the *Act* as stated above, the landlord did not return the security deposit within the 10-day time frame, and the landlord has failed to make application to the Director in accordance with Section 14(11) to retain the security deposit.

20. Pursuant to the *Residential Tenancies Act, 2018* the landlord must pay interest on a 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 is 0% for 2021, 2022 and 2023, and 1% for 2024 and 2025.

Decision

21. The tenant's claim for refund of security deposit plus interest in the amount of \$914.42.

Issue 2: Refund of Rent

Tenant Position

22. The tenant is seeking \$48000.00 refund of rent. The tenant testified in October-2024, after speaking to a friend who was a realtor, he started to question if the rental premises was safe. He stated the property "was not fit for fire regulations" and specified concerns with lack of a window in the "bedroom" area; two exterior windows being, "blocked off"; concerns with the front door egress during winter months; and the entry upstairs being "blocked off for privacy".

23. In addition, the tenant also testified to the following concerns:

- two beds being inside the rental premises
- with concerns with the landlord's continuous use of her washer/dryer
- water leaks
- broken windows
- lack of a locking mechanism on the exterior door.

24. Along with his application, the tenant also supplied pictorial evidence (T#4). He testified he had contacted the city of St. John's and requested a building inspection to be completed on the rental premises and on 17-May-2025 he was informed the investigation about the rental property was "ongoing".

25. The tenant testified, "I unknowingly rented an apartment that did not meet minimum safety requirements that put me at risk. I didn't feel I was responsible to pay rent after doing my due diligence".

Landlord Position

26. The landlord testified there are two entry doors into the rental premises, there were two windows inside which do not meet egress requirements, there was a smoke detector and carbon monoxide alarm inside the rental premises, it was “not a registered apartment”. Further, the building inspector entered the property to conduct an inspection which resulted in a recommendation that the bed be moved to another location inside the rental.
27. The landlord stated the tenant chose to continue to reside at the rental, denied that he requested any repairs to be completed, “renewed the lease” and that “most of this started in March after his financial crisis”.

Analysis

28. The tenant testified he took occupancy of the rental premises in September 2021 until being issued a termination notice in April-2025 by the landlord for non-payment of rent. He seeks \$48,000.00 in refunded rent.
29. Under the *Residential Tenancies Act, 2018*, all tenancies include mandatory statutory conditions, including a requirement that the landlord provide and maintain the premises in a state that is fit for habitation, meets applicable health and safety standards, and is kept in a good state of repair.
30. The tenant raised several concerns relating to habitability and safety, and while these conditions may represent building code or safety deficiencies, this Tribunal must determine whether they amount to a breach of the landlord’s statutory obligations under the Act.
31. The landlord acknowledged that the windows did not meet egress requirements and that the unit was not a registered apartment. However, testimony also indicates the presence of two entry doors and functioning smoke and carbon monoxide alarms. Notably, there was no evidence provided that any inspection had resulted in any independent confirmation that the conditions rendered the premises uninhabitable.
32. Further, the *Act* requires that a tenant notify the landlord of repair issues and provide a reasonable opportunity to address them before seeking rent a refund. The landlord testified—and the tenant did not dispute—that no repair requests were submitted. There is also no evidence submitted that the tenant provided written notice to the landlord relating to water leaks, broken windows, egress concerns, exterior door locking issues, or other deficiencies. A tenant cannot generally claim significant rent relief where they did not provide the landlord with the opportunity to remedy alleged defects.
33. Ultimately, the evidence does not establish that the unit was legally uninhabitable or prohibited from residential use. Additionally, it is noted that the tenant lived in

the unit for an extended period (almost 4 years) —including a several months after discovering the alleged defects — which undermines his argument that the premises were uninhabitable; and tenants retain the obligation to pay rent while occupying the premises unless an order for rental abatement or termination is issued based on proven habitability failure.

34. Accordingly, the tenant does not meet the threshold for rent reimbursement under the *Act*, and his claim for \$48,000.00 is not supported.

Decision

35. The tenant's claim for refund of rent fails.

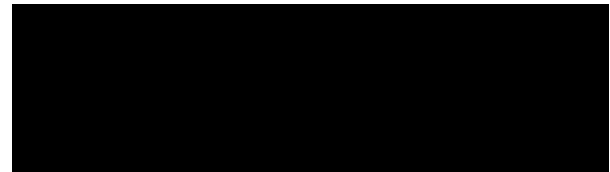
Summary of Decision

36. The landlord shall pay the tenant \$914.42 (\$900.00 security deposit + \$14.42 interest).

37. The tenant's claim for refund of rent fails.

5- March-2026

Date



Michael Reddy, Adjudicator
Residential Tenancies Office