

## Residential Tenancies Tribunal

Application 2025-0971-NL  
Counter application 2025-1105-NL

Oksana Tkachuk  
Adjudicator

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### Introduction

1. Hearing was called at 1:47 p.m. on 17-December-2025.
2. The applicants, [REDACTED] and [REDACTED], hereinafter referred to as “the tenants”, attended via teleconference.
3. The respondents and a counter applicants, [REDACTED] and [REDACTED], hereinafter referred to as “the landlords”, attended via teleconference.

### Preliminary Matters

4. The tenants submitted an affidavit of service with their application stating that they served the landlords with the notice of hearing via prepaid registered mail on 18-November-2025 (TT#1). Both landlords confirmed receiving the notice of the hearing on that date.
5. The landlords submitted two affidavits with their application stating that they had served the tenants with the notice of hearing electronically via e-mails on 29-November-2025 (LL#1,2). The tenants confirmed receiving the notice of the hearing on that date. In accordance with the Residential Tenancies Act, 2018 this is good service, I proceeded with both applications.
6. There was a written rental agreement which commenced on 29-June-2017. The tenants vacated on 1-November-2025. Rent was \$875.00 per month due on 1<sup>st</sup> and 15<sup>th</sup> of each month. The landlord indicated that they had a daily tenancy. I accept that the tenancy began in June-2017 and continued until November-2025. Although payments were made biweekly, based on the evidence and testimony provided, I find that the tenancy operated on a monthly basis. A security deposit of \$400.00 was collected on 2-June-2017 and is still in the landlords’ possession.
7. The disposition of the Security deposit shall be dealt in this decision.

### Issues before the Tribunal

8. The tenants are seeking:
  - Validity of a termination notice; and

- Compensation paid for inconvenience \$2637.17.
9. The landlords are seeking:

- Compensation paid for damages \$2891.63.

### **Legislation and Policy**

10. The jurisdiction of the Director of Residential Tenancies is outlined in sections 46 and 47 of the *Residential Tenancies Act, 2018*.
11. Also, relevant and considered in this decision are the following sections of the *Residential Tenancies Act, 2018*: Section 14: Security Deposit, Section 34: requirements for notices, and following section of the *Residential Tenancies Policy*, 9-3; Compensation for damages to rental premises.

### **Issue #1: Validity of a termination notice.**

#### Tenants' Position:

12. The tenants stated that on 14-October-2025, the landlord personally delivered a handwritten termination notice requiring them to vacate by 28-October-2025. The tenants submitted a copy of a termination notice to support their claim (TT#2). They argued that this notice was invalid because it was not issued on the official Residential Tenancies form and did not cite legislative grounds for termination. The tenants stated that they filed an application with Residential Tenancies for dispute resolution before the lockout occurred. The tenants stated that on 1-November-2025, the landlord entered the unit without consent, locked them out, removed cameras, and restricted access. They claimed this was an illegal eviction. The tenants stated that the landlord told them he could evict them without going through the Tribunal, which they argued is contrary to law.

#### Landlords' Position:

13. The landlords stated that the tenancy was day-to-day under a written agreement signed in June-2017, and that termination notice was issued according to that agreement. They cited Section 9 of the agreement, which allows re-entry upon violation of the rules. The landlords stated that the lockout was necessary due to safety concerns, including the smell of smoke, electrical hazards, and damage to the stove. They claimed that under their agreement, only 24 hours' notice was required.
14. The landlords stated that the tenants violated "practically everything" in the agreement, including property damage and unsafe conduct.

### **Analysis**

15. Section 34 of the *Act* states:

#### **Requirements for notices**

**34. A notice under this Act shall**

(a) be in writing in the form prescribed by the minister;

- (b) contain the name and address of the recipient;
- (c) identify the residential premises for which the notice is given; and
- (d) state the section of this Act under which the notice is given.

16. Any provision(s) of a rental agreement that is inconsistent with *the Residential Tenancies Act* is invalid and unenforceable. The Act establishes specific statutory notice requirements for terminating a tenancy for cause, and those requirements cannot be altered by entering into an agreement. Therefore, the landlord's statement that the lease could be terminated with one day's notice does not comply with the Act.

17. Further, after reviewing the handwritten notice submitted, I find that the notice did not comply with the statutory requirements, as stated above. It was not in the prescribed form, nor did it identify the residential premises for which the notice was given, and it did not state the section of the Act under which it was issued. As a result, the statutory basis and timeline for termination cannot be determined from the notice.

18. Therefore, I find the termination notice dated 14-October-2025, to be invalid under the Act.

**Decision**

19. The termination notice issued by the landlords is not valid.

**Issue # 2: Compensation paid for the inconvenience \$2268.00**

Relevant submission:

20. The tenants are seeking compensation for expenses incurred as a result of being locked out on 1-November-2025. The tenants submitted receipts to support their claim (TT#3) as well as the ledger to compensate the costs of inconvenience, see copy below:

1	Movers (Steve Filip)	\$ 750.00
2	Food (Tim Hortons)	\$ 26.90
3	Dollar Store (House Hold items)	\$ 52.46
4	Walmart (Groceries)	\$ 64.06
5	MooseHead (supper)	\$ 108.10
6	Dollar Store (Moving supplies)	\$ 10.64
7	MooseHead (Lunch)	\$ 25.01
8	YOX Self Storage	\$ 214.67
9	Apartment (Place to stay)	\$ 1600.00

#1: Movers \$750.00

Tenants' Position:

21. The tenants stated that they hired movers to pack and relocate their belongings due to the urgency created by the lockout. They explained that this cost was unavoidable and directly caused by the landlord's actions. The tenants further stated that professional assistance was necessary because the tenant's partner was away working at that time.

Landlords' Position:

22. The landlords disputed responsibility and the reasonableness of the cost claimed by the tenants. They explained that the tenant had family assistance and that most items were already pre-packed, reducing the need for professional movers. The landlords further stated that the amount claimed was excessive.

#2: Food & groceries \$224.07

Tenants' Position:

23. The tenants stated that they are seeking reimbursement for meals and groceries because they were locked out with all of their food inside the rental unit. They explained that they had "nothing but clothes on their back" after the lockout and therefore had to purchase food.

Landlords' Position:

24. The landlords stated that they object to paying for meals for multiple people and for alcohol purchases. They argued that the expenses were excessive and not related to the lockout.

#3: Household items & moving supplies \$63.10

Tenants' Position:

25. The tenants stated that they purchased toiletries and basic supplies while locked out from the rental unit. They explained that these items were essential due to the sudden eviction and submitted receipts to support their claim.

Landlords' Position:

26. The landlords stated that they dispute responsibility for these costs. They explained that the tenants could have retrieved essential items during police-assisted access and argue that the expenses were unnecessary.

#4: Self-storage \$214.67

Tenants' Position:

27. The tenants stated that they placed certain items in storage because their temporary accommodation could not fit large items such as a snowmobile and side-by-side and others. They explained that storage was unavoidable under the circumstances and stated that they are actively seeking permanent housing that would fit their needs.

Landlords' Position:

28. The landlords stated that they dispute responsibility for these costs. They explained that the tenants had alternative housing lined up and had given verbal notice of their intent to move. The landlords further stated that storage of recreational items should not be a part of a compensable claim.

#5: Accommodation \$1600.00

### Tenants' Position:

29. The tenants stated that they secured a new premises after the lockout and claimed that this cost was necessary to avoid homelessness. They explained that they provided proof from the property owner and argued that the landlord's actions directly forced this expense.

### Landlords' Position:

30. The landlords disputed responsibility for this cost. They explained that the tenants violated the rental agreement and therefore were evicted.

### **Analysis**

31. Under section 47 of the *Residential Tenancies Act, 2018*, this Tribunal has authority to award compensation for losses resulting from a landlord's breach of the *Act*. Compensation is limited to losses that flow directly from the breach, were reasonably necessary, were reasonable in amount, and where the tenants took reasonable steps to mitigate their losses.
32. I find that the landlords breached the *Act* by unlawfully locking the tenants out of the rental unit on 1-November-2025. While I accept the landlords' evidence that some belongings had already been packed and that the tenants had indicated an intention to relocate, the lockout nonetheless interfered with the tenants' lawful possession of the unit. I further accept that, at the time of the lockout, one tenant was working away, which limited the tenants' ability to coordinate access and relocation in an orderly manner.
33. The evidence shows that the tenants were able to relocate immediately to another apartment and did not incur rent beyond what would normally be paid for permanent accommodation. The tenants did not establish that the rent paid was for temporary lodging, such as a hotel, rather than a permanent residence. The tenants also raised concerns regarding the suitability of the new unit, including limited storage space; however, those issues relate to the tenants' housing choices rather than losses flowing directly from the lockout. Accordingly, I find that the landlords shall not be responsible for those costs.
34. Similarly, meals and grocery expenses, as well as the purchase of household items, are generally considered ordinary living expenses and are not compensable. However, I accept that the sudden and unlawful loss of access to the unit necessitated the engagement of movers sooner than would otherwise have been required. I further find that this resulted in disruption and inconvenience to the tenants directly arising from the lockout.
35. While the tenants have not established sufficient evidence for full reimbursement of the claimed expenses, I find that the illegal lockout caused inconvenience that is compensable under section 47 of the *Act*. Taking into account whether the inconvenience flowed directly from the breach, whether the response was reasonably necessary, the reasonableness of the circumstances, and the tenants' obligation to mitigate, I find that a nominal award is appropriate. Accordingly, I order that the landlords pay the tenants compensation in the amount of \$300.00 for inconvenience resulting from the unlawful lockout.

### **Decision**

36. The tenants' claim for compensation paid for inconvenience succeeds in the amount of \$300.00.

**Issue # 3: Compensation paid for damages \$2891.63.**

Relevant Submission

37. The landlords are seeking compensation paid for damages. The landlords submitted evidence to support their claim, however they never served the tenants with the copies of the evidence. Therefore, as the evidence was not provided to the other party at least three days prior the hearing, the evidence send by the landlords shall not be considered in this decision. The landlords submitted the damages ledger to support their claim, see copy below:

1	Electric Range	1034.99
2	Damage to dining Room Wall	
3	and bedroom wall.	345.00
4		
5	Removal of metal and tires from	
6	property. Consisting of two trips	
7	to dump Norris Arm	460.00
8		
9	Clean up and decantamination	
10	of shed due to drug use in	
11	shed. (Crack Cocaine)	3 hrs 69.00
12		
13	Broken shed door. From being	
14	broken into for sleeping	
15	purposes after arguments.	\$380.00
16		
17	Electrical repairs and inspection	
18	replacement of plug-in for	\$172.50
19	Electric range.	
20		
21	Door knob tenant removed	53.60 Replaced
22	landlords knob and replaced	
23	with her own to lock Partner	
24	out NO KEYS giving to landlord.	
25		
26	Repairs to shed floor	1 hr 23.00
1	Drive to Gander to get Door Knob	
2	Drive Back and Replace	1.5 hrs
3		\$ 34.50
4		
5	Removal of tent shed and dump	
6	trip and clean up of Area.	
7	Dump trip	\$ 200.00
8	Clean up & removal	\$ 69.00
9		
10	Cleaning Materials	
11	Bags Gloves Spray Disinfectant	\$ 50.00
12	Mr Clean etc	

#1: Electric Range (Stove) – \$1034.99

Landlords' Position

38. The landlords stated that the stove in the unit was tipped and severely damaged during the tenancy, creating an electrical hazard. They state that the plug was cracked, requiring full

replacement. The landlords stated that they provided quotes for a new stove and maintain that the stove was 2–3 years old and previously new.

Tenants' Position:

39. The tenants acknowledged that the incident occurred on 29-August-2025 and involved only the stove's door handle breaking. They assert that the stove remained functional and was used daily until eviction. The tenants offered to replace the stove with a used one valued at approximately \$250–\$300. They further argue that the landlord initially indicated “not to worry about damages” and promised the return of the security deposit. The tenants dispute the claim for a new stove, noting that the original stove was not new when installed.

#2: Wall damage \$345.00

Landlords' Position

40. The landlords claim that the tenants caused damage to the walls during the tenancy. They state that a contractor was hired to repair the walls and provided an invoice totaling \$345.00. The landlords assert that the bedroom walls had multiple spots consistent with punching, in addition to other damage requiring repair in the dining room.

Tenants' Position:

41. The tenants admit to causing one hole in the dining area wall but dispute any damage to the other walls. They argue that upon move-out there were no holes or other damages in the bedroom. The tenants further contend that the landlords failed to provide sufficient evidence to substantiate the claim for additional wall damage.

#3: Removal of Metal & Tires- two trips to the dump – \$460.00

Landlords' Position

42. The landlords claimed that the tenants left a significant amount of their belongings behind after vacating the unit. They stated that the items included a full truckload of tires, a barbecue, chairs, and scrap metal, which required removal in two separate dump trips.

Tenants' Position:

43. The tenants admitted leaving four tires but disputed the ownership of the other items. They argued that the landlord has a history of backyard clutter and that some of the items may not have belonged to them. The tenants further contend that the landlord never notified them to retrieve any remaining items before disposal.

#4: Shed Cleanup – \$69.00

Landlords' Position

44. The landlords stated that the shed was left in an unclean condition and required spraying, cleaning, and decontamination due to drug use. They explained that one of the tenants had been using the shed as a bedroom following disputes. The landlords claimed it took approximately three hours to complete the cleaning.

Tenants' Position:

45. The tenants initially disputed the landlords' claim but later agreed to pay for the cost claimed for cleaning.

#5: Broken shed door - \$380.00

Landlords' Position:

46. The landlords asserted that one of the tenants was using the shed for sleepovers after arguments and did not have a key. The landlord claimed the shed door was repeatedly pried open to gain access, causing damage. According to the landlord, the metal components of the door became separated due to repeated forced entry. The landlord estimates the door is approximately 10 years old but states such doors typically last 20 years. The landlord is seeking \$380.00 for a replacement door slab, stating the door cannot be repaired.

Tenants' Position:

47. The tenants disputed they caused any damage to the shed door.

#6: Electrical repairs - \$172.50

Landlords' Position:

48. The landlord stated they hired an electrician to replace a cracked plug behind the stove, repair and replace a breaker, test electrical outlets due to wall damage, replace smoke alarms, which had been removed by tenants, creating a safety hazard. The landlord claimed that the amount sought is the cost they paid the electrician and submitted a receipt.

Tenants' Position:

49. The tenants denied responsibility for any electrical or smoke alarm issues. They assert the stove was used daily after the alleged incident without any smoke or smell. The tenant claims the police told the landlord he was lying about smoke damage and using it as an excuse to evict them. They argued there was nothing wrong with the apartment and no electrical damage. The tenant stated they never received a receipt for the electrician's work.

#7, #9: Door knob - \$53.60 and compensation for time spent to replace it 1.5 hours \$34.50

Landlords' Position:

50. The landlords stated that one tenant changed the locks on her own initiative to prevent another tenant from re-entering the property. The landlord acknowledged being aware of the lock change and confirmed assisting the tenant when the lock was installed incorrectly. The landlord claims they informed the tenant that changing the lock was her responsibility because she was locking another tenant out.

51. The landlords asserts that when the tenants vacated, they did not leave a key for the changed lock. As a result, the landlord had to purchase a new doorknob. They stated that after the tenants vacated, they drove from Appleton to Gander to buy the replacement doorknob, which took approximately 1.5 hours. The landlord argues that although they typically change locks between tenancies, they should not have been responsible for

replacing the lock in this case because the tenant changed it without leaving a key. The landlord claims the cost of the new doorknob and the time spent on the trip were necessary due to the tenant's actions.

Tenants' Position:

52. The tenants disputed the landlord's claim and explained that they asked the landlord for permission to change the lock, and the landlord agreed. They claim the landlord even assisted when the lock was installed incorrectly. They argue that landlords typically change locks after tenants move out regardless, as former tenants could have multiple copies of keys. The tenants claim that if the landlord was getting new tenants, the lock would have been changed anyway. They deny responsibility for the cost of the new doorknob and the trip to purchase it, stating that they left the keys in the unit and suggested that if the keys were missing, they do not know what happened after they left.

#8: Repairs to the shed floor \$23.00

Landlords' Position:

53. The landlord is seeking reimbursement for one hour of self-labor to repair the floor in the shed.

Tenants' Position:

54. The tenants agreed that they are responsible to pay the amount sought for the landlord's self-labor.

#10: Dump trip and clean up \$269.00

Landlords' Position:

55. The landlords stated they are seeking \$200.00 for a dump trip and cleanup of the property after the tenants vacated. The landlord explained that large items, including a metal frame tent, and other miscellaneous items, were left behind and need to be removed. They estimate the work will take at least three hours, including cleaning up the area, and transporting everything to the dump. The landlord stated that the \$200.00 charge covers labor, fuel, and vehicle use, as well as the dump trip.

56. Additionally, the landlords are seeking \$69.00 for further cleanup and removal of debris left around the property, including items allegedly belonging to the tenants. The landlord emphasized that these charges are for their time and effort, as well as associated costs.

Tenants' Position:

57. The tenants acknowledged leaving a metal frame tent on the property but argued they were unable to remove it because the landlord locked them out while one of them was away for work. They stated they would have removed the tent themselves if given the opportunity. The tenants dispute responsibility for other items the landlord claims were left behind, asserting that any remaining debris was not theirs. They argue that the landlords prevented them from accessing the property to clean up and therefore should not charge them for

removal. The tenants maintain they are willing to retrieve their belongings, but they are not allowed back on the property.

#### #11: Cleaning materials \$50.00

##### Landlords' Position;

58. The landlords stated they are seeking compensation for cleaning materials used to clean the property after the tenants vacated. They explained that these materials included gloves, cleaning sprays, and other supplies used to clean garbage and spray down walls. The landlords noted that they used supplies they already had on hand for cleaning.

##### Tenants' Position;

59. The tenants disputed responsibility for the cost of cleaning materials. They stated that if they had not been locked out, they would have cleaned the property themselves before leaving and stated that the unit was left in good condition. They deny any obligation to pay for cleaning supplies.

#### **Analysis**

60. In accordance with *Residential Tenancies Policy 9-3*, the applicants are required to show:

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

#### #1: Electric Range (Stove) – \$1034.99

61. The tenants do not dispute that damage occurred to the stove during the tenancy; however, they maintain that the damage was limited to the door handle and that the stove remained functional until eviction. The landlords assert that the stove was tipped and severely damaged, creating an electrical hazard, and that replacement was necessary. While the landlords stated that they are claiming an amount for a new stove, they acknowledged that they already had other stoves available for the replacement.

62. I find that despite these assertions, the landlords failed to provide sufficient evidence to establish the condition of the stove prior to the tenancy or proof that it was new; they failed to provide detailed evidence of the extent of the damage beyond the broken handle; and provide evidence that full replacement was necessary, as well as the cost they incurred for the replacement.

63. The onus is on the applicant to prove their case. In accordance with *Residential Tenancies Policy 9-3*, the landlords have failed to do so. Given that the tenants do not dispute that they are responsible for the damage to the handle of the stove, I find it reasonable to award the landlords a nominal amount of \$50.00 for the damage.

64. The landlords' claim for electric range succeeds in the amount of \$50.00.

#### #2: Wall damage \$345.00

65. I accept the landlords' statement that there were some damages to the dining room wall, which the tenants acknowledged occurred during the tenancy. However, the landlords failed to substantiate their claim regarding additional damage to the other walls, including bedroom walls. They also did not provide information about the age or condition of the paint at the beginning of the tenancy. Based on the testimonies, it appears the unit was repainted, but the landlords did not prove that repainting was necessary solely due to the tenants' damages during the tenancy. The landlords have not met the burden of proof under Policy 9-3 for the remaining claimed damages.

66. As the landlords have proven only the dining room wall damage, I find it reasonable to award a nominal amount of \$50.00 for repairing that wall.

67. The landlords' claim for wall damages succeeds in the amount of \$50.00.

### #3: Removal of Metal & Tires- two trips to the dump – \$460.00

68. The landlords claimed that the tenants left a large quantity of items, including tires, a barbecue, chairs, and scrap metal, requiring two dump trips at a cost of \$460.00. However, the landlords did not provide supporting evidence of proof of ownership of the items. The tenants admitted leaving four tires but disputed ownership of the other items and argued that the landlord has a history of backyard clutter. They also stated they were not notified to retrieve any remaining belongings.

69. Given the lack of evidence and the tenants' dispute regarding ownership of items, I find that the landlords have failed to meet the burden of proof under Policy 9-3. Accordingly, the landlord's claim for \$460.00 for removal of metal and tires does not succeed.

### #4: Shed Cleanup – \$69.00

70. I accept the landlords' and the tenants' testimonies that the shed was left in unclean condition and that the tenants acknowledged responsibility for cleaning the shed. The landlords stated that the cleaning took approximately three hours, and the tenants did not dispute the time.

71. According to Residential Tenancies Policy 9-3, self-labor is compensable at minimum wage plus \$8.00 per hour. Based on the current minimum wage of \$16.00, the applicable rate is \$24.00 per hour. Applying this rate to three hours of work results in \$72.00. However, this Tribunal is application-driven and cannot award more than the amount sought by the applicant. The landlords claimed \$69.00 for cleaning in their application. Therefore, the amount awarded for cleaning will be \$69.00.

72. The landlords' claim for cleaning the shed succeeds in the amount of \$69.00.

### #5: Broken shed door - \$380.00

73. The landlords asserted that the shed door was damaged due to repeated forced entry by a tenant. The tenants disputed causing any damage to the shed door. Therefore, I

find that the landlords have failed to provide sufficient evidence to substantiate their claim that the tenants were responsible for the damage.

74. As the landlords have not met the burden of proof, I find that the landlords' claim for the replacement of the shed door in the amount of \$380.00 does not succeed.

#6: Electrical repairs - \$172.50

75. I accept both the landlords' and tenants' statement regarding the electrical issues which I find contradictory. However, as the landlord failed to submit all evidence to the other party as required by the *Act*, that evidence will not be considered for the purpose of this decision. Therefore, I find that the landlord has failed to provide sufficient proof that the tenants were responsible for the electrical damages and, consequently, for the costs of the repairs.

76. The landlord's claim for electrical repairs does not succeed.

#7, #9 : Door knob - \$53.60 and compensation for time to replace door knob 1.5 hours \$34.50

77. I accept the landlord's statement regarding the keys and doorknob change, as well as the tenants' testimony where they disputed the landlord's claim and stated that they left the keys in the unit upon vacating the property. Additionally, expenses such as changing locks, driving to purchase new locks after tenants vacate are generally considered part of costs of doing business for landlords.

78. Therefore, the landlord's claim for doorknob replacement and time spent driving to purchase the new lock does not succeed.

#8: Repairs to the shed floor \$23.00

79. I accept the statements of both parties that the floors in the shed required some repairs, that took one hour to finish and that the tenants were responsible for them. According to Residential Tenancies *Policy* 9-3, self-labor is compensable at the rate of minimum wage plus \$8.00 per hour. Based on the current minimum wage of \$16.00, the applicable rate is \$24.00 per hour. However, this Tribunal is application-driven and cannot award more than the amount sought by the applicant. The landlord claimed \$23.00, and therefore, that amount will be awarded.

80. The landlord's claim for repairs to the shed floor succeeds in the amount of \$23.00.

#10: Dump trip and clean up \$269.00

81. The tenants acknowledged leaving a metal frame tent on the property but argued they were unable to remove it because the landlord locked them out while one of them was away for work. They stated they would have removed the tent themselves if given the opportunity. The tenants dispute responsibility for other items the landlord claims were left behind, asserting that any remaining debris was not theirs.

82. While the landlord claims \$200.00 for a dump trip and \$69.00 for additional cleanup, they have not provided sufficient evidence to establish that all items left behind

belonged to the tenants or that the tenants were given a reasonable opportunity to remove them. Furthermore, when asked if they would like to arrange a date for the tenants to retrieve the metal tent, the landlords declined, which prevents the tenants from accessing the property. This weighs against holding the tenants responsible for removal costs. Accordingly, I find that the landlords have not met the burden of proof to justify these charges.

83. Therefore, the landlords' claim for \$200.00 for the dump trip and \$69.00 for cleanup does not succeed.

#### #11: Cleaning materials \$50.00

84. I accept that the tenants disputed the landlord's claim for cleaning supplies. I find that the landlord failed to provide sufficient evidence that cleaning was required, and that the tenants are responsible for the compensation. Nevertheless, as the tenants agreed they are responsible for cleaning the shed as per paragraph 72 of this Decision, I find it reasonable to award a fair nominal amount for cleaning supplies.

85. Therefore, the landlords' claim for cleaning supplies succeeds in the amount of \$20.00.

#### **Decision**

86. The landlords' claim for compensation paid for damages succeeds in the amount of \$212.00.

#### **Issue # 4: Security deposit to be applied against any monies owed \$400.00;**

#### **Analysis**

87. 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).

88. The landlords' claim for losses has been successful as per paragraph 86 and as such, the security deposit shall be applied 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 interest in 2017-2023 was 0%, the annual interest in 2024-2025 is 1%.

**Decision**

89. Security deposit plus interest of \$407.85 to be applied against monies owed.

**Summary of Decision**

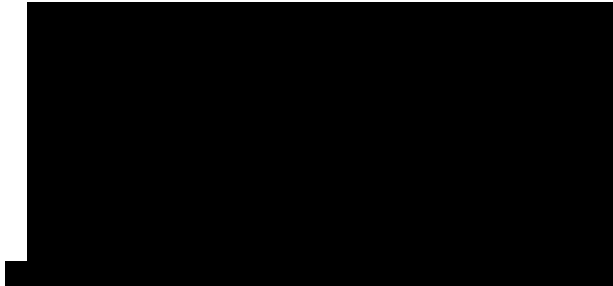
90. The termination notice issued by the landlords is not a valid termination notice.

91. The landlords shall retain \$212.00 from the Security Deposit to cover compensation for Damages.

92. The landlords shall pay to the tenants \$495.85 as follows:

Compensation paid for inconvenience	\$300.00
Remaining security deposit + interest	\$195.85
Total	\$495.85

March 25, 2026  
Date



Oksana Tkachuk, Adjudicator  
Residential Tenancies Office