

## Security Deposits

### The Residential Tenancies Act:

- Sets the limit for security deposits and prescribes the amount of interest that the landlord must pay when a deposit is returned;
- Describes the process for returning a security deposit at the conclusion of a tenancy; and
- Provides a process for resolving disputes involving security deposits.

### Reference:

*Residential Tenancies Act: Section 12; Regulations Sections 5 - 22.*

### Details:

At the conclusion of a tenancy, security deposits can be dealt with in a number of ways:

1. The deposit and any interest can be returned to the tenant. If this option is selected, it must be returned within 10 days of the termination of the lease.
2. The tenant may consent to retention of any or all of the security deposit and interest by the landlord as compensation for any unpaid rent or damages;
3. The landlord may, within 10 days of termination of a tenancy, file an Application to Director or a complaint in the form of a Security Deposit Claim Form to retain all or part of a security deposit:
  - a. If the landlord files an Application to Director, the dispute will be mediated or adjudicated by a Residential Tenancy Officer;
  - b. If the landlord files a complaint in the form of a Security Deposit Claim form, it must be filed within 10 days of termination of tenancy;
  - c. The filing of a Security Deposit Claim form by a landlord allows that landlord to defend a claim by a tenant for the return of a security deposit.

### Procedure:

Applications to Director dealing with security deposits are dealt with in the same way all other Applications to Director are handled.

Security Deposit Claim forms are kept on file by the Residential Tenancies program to verify that the filing requirement was met by the landlord in the event a tenant seeks the return of a security deposit through an Application to Director.