

IN THE MATTER between **CHRIS TUCKER**, Applicant, and **JANET SMELLIE**, Respondent;

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter R-5 (the "Act");

AND IN THE MATTER of a Hearing before, **HAL LOGSDON**, Rental Officer, regarding the rental premises at **YELLOWKNIFE, NT**.

BETWEEN:

**CHRIS TUCKER**

Applicant/Tenant

- and -

**JANET SMELLIE**

Respondent/Landlord

**ORDER**

IT IS HEREBY ORDERED:

1. Pursuant to section 18(5) of the *Residential Tenancies Act*, the respondent shall return the security deposit and accrued interest to the applicant in the amount of six hundred four dollars and ten cents (\$604.10).

DATED at the City of Yellowknife, in the Northwest Territories this 5th day of January, 2005.

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Hal Logsdon  
Rental Officer

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R-5 (the "Act");

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BETWEEN:

**CHRIS TUCKER**

Applicant/Tenant

-and-

**JANET SMELLIE**

Respondent/Landlord

**REASONS FOR DECISION**

**Date of the Hearing:** January 5, 2005

**Place of the Hearing:** Yellowknife, NT

**Appearances at Hearing:** Kim Tucker, representing the applicant (by telephone)

**Date of Decision:** January 5, 2005

**REASONS FOR DECISION**

The tenancy agreement between the parties was terminated on or about August 26, 2004 when the applicant vacated the rental premises. The respondent returned the \$600 security deposit to the applicant but the cheque failed to clear the bank. The applicant has not received the deposit.

In an undated letter from the respondent, submitted in evidence by the applicant, the respondent noted that money had been frozen by her mortgage company making it impossible to return the security deposit. There is no evidence to suggest that the landlord intended to retain any of the deposit for repairs or rent arrears.

Section 17 of the *Residential Tenancies Act* sets out certain obligations of a landlord who holds a security deposit:

- 17. (1) A landlord shall keep all security deposits separate and apart from money belonging to the landlord.**
- (2) A landlord shall hold all security deposits in trust.**
- (3) A landlord shall**
  - (a) only invest security deposits as directed by the *Trustee Act*; or**
  - (b) deposit all security deposited in a trust account in a bank within the Territories.**

It appears that the security deposit may not have been held in trust. Contravention of section 17 is an offence under the Act.

I find the respondent in breach of her obligation to return the security deposit in accordance with the *Residential Tenancies Act*. I find the accrued interest on the deposit to be \$4.10. An order

shall issue requiring the respondent to return the deposit and accrued interest to the applicant in the amount of \$604.10.

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Hal Logsdon  
Rental Officer