

IN THE MATTER between **ALVILDA DOUGLAS AND MIKE PAQUETTE**,
Applicants, and **POLAR DEVELOPMENTS LTD.**, 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:

ALVILDA DOUGLAS AND MIKE PAQUETTE

Applicants/Tenants

- and -

POLAR DEVELOPMENTS LTD.

Respondent/Landlord

ORDER

IT IS HEREBY ORDERED:

1 The application is dismissed.

DATED at the City of Yellowknife, in the Northwest Territories this 11th day of May,
2006.

Hal Logsdon
Rental Officer

IN THE MATTER between **ALVILDA DOUGLAS AND MIKE PAQUETTE**,
Applicants, and **POLAR DEVELOPMENTS LTD.**, Respondent.

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter
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BETWEEN:

ALVILDA DOUGLAS AND MIKE PAQUETTE

Applicants/Tenants

-and-

POLAR DEVELOPMENTS LTD.

Respondent/Landlord

REASONS FOR DECISION

Date of the Hearing: May 2, 2006

Place of the Hearing: Yellowknife, NT

Appearances at Hearing: Mike Paquette, applicant (by phone)
Karen McLeod, representing the respondent

Date of Decision: May 11, 2006

REASONS FOR DECISION

The tenancy agreement between the parties was terminated on June 22, 2005 when the applicants vacated the premises. The respondent retained \$500 of the security deposit and issued a statement which was entered in evidence along with an inspection report and photographs. The statement indicated a single deduction of \$500 for damage to the living room carpet.

The applicant disputed the deduction stating that the respondent did not produce the required statement of the security deposit within the ten day time period specified by the *Residential Tenancies Act* and that the alleged damage constituted normal wear and tear.

The respondent described the alleged damage to the carpet as melted carpet fibres in the shape of an iron. The respondent stated that the mark was in the living room in a prominent, high traffic area. The respondent stated that they had received two quotations to repair the alleged damage. The first was a patch at a cost of \$105 plus tax and the second was for the replacement of the entire carpet at a cost of \$932 plus tax. The respondent stated that the patch would be visible and given the location might not hold up to the traffic. She stated that the normal life expectancy of the carpet was 15-20 years and that the carpet was 2 years old.

In my opinion, the fact that a security deposit statement is not issued within the ten day period prescribed by the Act does not disqualify a landlord from seeking relief for damages to the premises. It does however constitute an offence under the Act and a prudent landlord will issue

security deposit statements promptly after the termination of a tenancy. I respectfully disagree with the applicant's description of the burn as normal wear and tear. It is damage. The burn was obviously made by a hot iron which is not the normal fashion in which a carpet becomes worn. The only question is whether the deduction represents reasonable compensation for loss.

The respondent is not seeking the depreciated replacement cost of the carpet which in my opinion, is reasonable. The damage is probably not serious enough to warrant the replacement of the carpet. Nevertheless it represents a loss of both value and the remaining life of the carpet. The compensation sought by the respondent represents a reduction of approximately 60% of the carpet's remaining value. In my opinion, this is not unreasonable given the location of the damage.

Accordingly, I find the deduction from the security deposit to be in accordance with the provisions of the *Residential Tenancies Act* and shall dismiss the application.

Hal Logsdon
Rental Officer