

IN THE MATTER between **NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**, Applicant, and **JOHN WARRINGTON AND CINDY MCNICHOL**, Respondents;

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 **INUUVIK, NT**.

BETWEEN:

**NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**

Applicant/Landlord

- and -

**JOHN WARRINGTON AND CINDY MCNICHOL**

Respondents/Tenants

**ORDER**

IT IS HEREBY ORDERED:

1. Pursuant to section 42(3)(e) of the *Residential Tenancies Act*, the respondent shall pay the applicant costs of cleaning and repair of damages to the premises in the amount of one thousand seven hundred sixty nine dollars and twenty three cents (\$1769.23).

2. Pursuant to section 41(4)(a) of the *Residential Tenancies Act*, the respondent shall pay the applicant rent arrears in the amount of three thousand seven hundred dollars (\$3700.00).

DATED at the City of Yellowknife, in the Northwest Territories this 15th day of June,  
2006.

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Hal Logsdon  
Rental Officer

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BETWEEN:

**NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**

Applicant/Landlord

-and-

**JOHN WARRINGTON AND CINDY MCNICHOL**

Respondents/Tenants

**REASONS FOR DECISION**

<b><u>Date of the Hearing:</u></b>	<b>June 6, 2006</b>
<b><u>Place of the Hearing:</u></b>	<b>Inuvik, NT via teleconference</b>
<b><u>Appearances at Hearing:</u></b>	<b>Jason Kucharski, representing the applicant</b>
<b><u>Date of Decision:</u></b>	<b>June 14, 2006</b>

**REASONS FOR DECISION**

The respondents were served with Notices of Attendance sent by registered mail and confirmed delivered. The respondents failed to appear at the hearing and the hearing was held in their absence.

The tenancy agreement between the parties was terminated on April 30, 2006 when the respondents vacated the premises. The applicant retained the security deposit and accrued interest of \$1522.36 and issued a statement of the security deposit. The statement of the security deposit was entered in evidence along with a statement of the rent account and inspection reports outlining the condition of the premises at the commencement of the tenancy and at the end of the tenancy.

The security deposit statement indicates deductions for cleaning and repairs of \$3642.28 and rent arrears of \$3700 resulting in a balance owing to the applicant in the amount of \$5819.92. The applicant sought an order requiring the respondents to pay that amount.

The security deposit report does not itemize the repairs and cleaning but refers to the inspection report which contains itemized costs related to the various deficiencies noted. The total costs noted on the inspection report are somewhat more than those noted on the security deposit report. The applicant stated that some costs were eliminated because the respondents undertook further cleaning after the inspection report was completed. The Rental Officer asked the applicant to

produce an itemised list of repairs and cleaning which made up the \$3642.28 and a list was submitted after the hearing.

I note that the application contained the security deposit statement, the inspection reports and the rent statement and that the application was served on the respondents. They were also made aware of the hearing date, place and time but failed to appear to voice any objection to the landlord's application. While it would appear that the respondents have no dispute with the landlord's allegations or costs, I have some concerns with the costs claimed by the applicant.

Section 42(3)(e) of the *Residential Tenancies Act* permits a rental officer to make an order "requiring the tenant to pay any reasonable expenses directly associated with the repair or action" where a tenant fails to repair damages to the rental premises. Provided the costs claimed by a landlord are in the range of reasonableness, the compensation provided should reflect the actual expenses of the landlord. However, the rental officer is entitled by the Act to determine if the costs claimed are reasonable and make adjustments accordingly. This authority was noted by Hon. Justice J.Z. Vertes in *Inuvik Housing Association v. Kendi* (*Inuvik Housing Authority v. Kendi*, 2005 NWTSC 46).

**Because the Act empowers the Rental Officer to determine the *reasonable* expense for the repairs, the Rental Officer is per force entitled to express his opinion as to that expense. No matter what the actual cost is, the Rental Officer may determine the *reasonable* expense to be paid by the tenant.**

In my opinion the costs claimed by the applicant for the following items are not reasonable:

1. The applicant has charged \$30 to replace 2 bulbs in the bathroom, quoting \$15 for

labour and \$15 for materials. The inspection report notes “2 bulbs out”. There was no evidence that these bulbs were extraordinary or that they required any particular expertise or unusual length of time to install. In my opinion, two light bulbs can easily be purchased and installed for \$10. The applicants requested relief of \$30 shall be reduced to \$10.

2. The applicant has charged \$30 in labour cost and \$10 in material cost to vacuum the master bedroom. This represents one hour of labour. The materials required to vacuum a bedroom are unspecified. The applicant has also charged \$30 in labour to vacuum the third bedroom in the premises. This again, represents one hour of labour. In my opinion, two hours of labour to vacuum two rooms is not reasonable. I doubt that it would take more than an hour to vacuum the entire premises. The applicants requested relief of \$80 shall be reduced to \$40.
  
3. The applicant has itemised carpet cleaning by room resulting in a claim of \$395. The calculation for the living room contains an arithmetic error of \$60 in favour of the applicant. The relief sought represents 8.5 hours of labour which, in my opinion, is unreasonable. There is nothing in the inspection report that indicates the carpets were exceptionally dirty or stained. The report notes only that there were some cigarette burns and the carpets had not been shampooed or vacuumed. A routine carpet cleaning should not take longer than 3 hours. The hourly rate of \$30/hour is reasonable. The \$80 material costs claimed could be reasonable if

equipment rental is included. The applicant's requested relief of \$395 shall be reduced to \$170.

I find the respondents in breach of their obligation to pay rent and to pay for repair and cleaning costs. Taking the above noted adjustments into consideration I find reasonable repair and cleaning costs in the amount of \$3291.59 calculated as follows:

Repair and cleaning costs as per statement	\$2960.00
Adjustment for light bulbs - bathroom	(20.00)
Adjustment for vacuuming - bedrooms	(40.00)
Adjustment for carpet cleaning	<u>(225.00)</u>
TOTAL for repairs and cleaning	\$2675.00
15% admin fee	401.25
GST	<u>215.34</u>
Total cleaning and repair costs	\$3291.59

Applying the security deposit first to cleaning and repair costs, I find the remaining cleaning and repair costs to be \$1769.23 and the rent arrears to be \$3700. An order shall issue requiring the respondents to pay the applicant rent arrears and repair costs in the total amount of \$5469.23 calculated as follows:

Security deposit	\$1487.00
Interest	35.36
Rent arrears	(3700.00)
Cleaning & repairs	<u>(3291.59)</u>
Amount owing applicant	\$5469.23

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Hal Logsdon  
Rental Officer