IN THE MATTER between **SHELTER CANADIAN PROPERTIES LTD.**, Applicant, and **CLAYTON NYANDORO AND THEMBALANI NDLOVU**, 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 **YELLOWKNIFE**, **NT**.

BETWEEN:

SHELTER CANADIAN PROPERTIES LTD.

Applicant/Landlord

- and -

CLAYTON NYANDORO AND THEMBALANI NDLOVU

Respondents/Tenants

ORDER

IT IS HEREBY ORDERED:

- 1. Pursuant to section 41(4)(a) of the *Residential Tenancies Act*, the respondents shall pay the applicant rent arrears in the amount of seven hundred twenty dollars (\$720.00).
- 2. Pursuant to section 42(3)(e) of the *Residential Tenancies Act*, the respondents shall pay the applicant repair costs in the amount of eight hundred forty eight dollars and sixty eight cents (\$848.68).

3. Pursuant to section 42(3)(c) of the *Residential Tenancies Act*, the respondents shall pay the applicant compensation for loss directly related to their failure to repair damages to the premises in the amount of two hundred ten dollars (\$210.00)

DATED at the City of Yellowknife, in the Northwest Territories this 28th day of September, 2007.

Hal Logsdon Rental Officer IN THE MATTER between **SHELTER CANADIAN PROPERTIES LTD.**, Applicant, and **CLAYTON NYANDORO AND THEMBALANI NDLOVU**, 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.

BETWEEN:

SHELTER CANADIAN PROPERTIES LTD.

Applicant/Landlord

-and-

CLAYTON NYANDORO AND THEMBALANI NDLOVU

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: September 25, 2007

Place of the Hearing: Yellowknife, NT

Appearances at Hearing: Trudy Spence, representing the applicant

Clayton Nyandoro, respondent Thembalani Ndlovu, respondent

<u>Date of Decision</u>: September 27, 2007

REASONS FOR DECISION

The tenancy agreement between the parties was terminated on August 1, 2007 when the respondents vacated the premises. The applicant retained the security deposit applying it against cleaning costs, repairs and rent arrears and issued a statement of the security deposit in accordance with section 18 of the *Residential Tenancies Act*. The applicant sought an order requiring the respondents to pay rent arrears and repair costs in excess of the retained security deposit and compensation related to the alleged failure of the respondents to repair damages to the premises.

The applicant provided a copy of the security deposit statement in evidence. The statement shows a security deposit of \$580 and interest of \$35.86 with deductions for July, 2007 rent arrears (\$15), compensation for five days of lost rent in August (\$210), general cleaning (\$286.20), patching and painting (\$424), removal of garbage (\$100) and carpet replacement (\$2321.40), leaving a balance owing to the applicant of \$2740.74.

The applicant stated that the necessary repairs to the premises prevented her from renting the apartment until August 6, 2007, although she had a tenancy agreement which commenced on August 1, 2007. The applicant stated that she did not charge the new tenants for five days as they could not take possession until August 6, 2007. The applicant also stated that the carpet cost was based on the full replacement cost and that the carpet was four years old. Photographs, invoices and the tenant ledger were provided in evidence.

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The respondents testified that they had provided the full security deposit of \$1285. The applicant acknowledged that of the \$1100 paid on May 5, 2006, \$705 was supposed to be the balance of the required security deposit. The applicant stated that the \$705 was instead allocated to rent.

The respondents questioned the requirement to replace the carpet, stating that the damage did not justify replacement.

Adjusting the May 5, 2006 payment to reflect the intended allocation to rent and security deposit, I find the security deposit to be \$1285 and the accrued interest to be \$69.36. I find the rent arrears to be \$720, calculated as follows:

Final balance as per ledger \$15.00
Plus \$705 reallocated to security deposit 705.00
Rent arrears \$720.00

The photographic evidence reveals numerous stains and bleach marks on a number of different areas of the carpet. In my opinion, the damage was sufficient to warrant the replacement of the carpet but the full replacement cost is not reasonable as the carpet was four years old. Given the carpet's useful life of ten years, the respondents should only have to compensate the landlord for 60% of the replacement cost or \$1392.84.

I find the remainder of the deductions reasonable and consistent with the photographic evidence.

I find the compensation for 5 days rent to be reasonable and directly related to the failure to the respondents to repair the damages to the premises.

Applying the security deposit first to cleaning and repair costs, I find rent arrears in the amount of \$720, repair costs in the amount of \$848.68 and compensation for lost rent in the amount of \$210, calculated as follows:

Security deposit	\$1285.00
Interest	69.36
Cleaning	(386.20)
Patch/paint	(424.00)
Carpet @ 60%	(1392.84)
Balance of repair costs	\$848.68
Rent arrears	720.00
Compensation	<u>210.00</u>
Amount owing applicant	\$1778.68

An order shall issue requiring the respondents to pay the applicant rent arrears of \$720, repair costs of \$848.68 and compensation of \$210.

Hal Logsdon Rental Officer