

IN THE MATTER between **NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**, Applicant, and **RYAN CHALUPA AND CHRISTINA CHALUPA**, 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 **INUVIK, NT**.

BETWEEN:

NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST

Applicant/Landlord

- and -

RYAN CHALUPA AND CHRISTINA CHALUPA

Respondents/Tenants

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to section 41(4)(a) of the *Residential Tenancies Act*, the respondent shall pay the applicant rent arrears in the amount of three hundred fifty six dollars and two cents (\$356.02).

DATED at the City of Yellowknife, in the Northwest Territories this 23rd day of February, 2007.

Rental Officer

Hal Logsdon

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

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BETWEEN:

NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST

Applicant/Landlord

-and-

RYAN CHALUPA AND CHRISTINA CHALUPA

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing: January 30, 2007

Place of the Hearing: Inuvik, NT

Appearances at Hearing: Darrin Holmes, representing the applicant

Date of Decision: February 21, 2007

REASONS FOR DECISION

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

The applicant testified that the respondents vacated the premises in August, 2006. The applicant retained the security deposit of \$1550, applying it against rent arrears, cleaning and repairs, and compensation for lost rent. The applicant provided a statement of account in evidence which indicated a balance owing in the amount of \$4844.36. The applicant sought an order requiring the respondents to pay that amount.

The statement indicates that the August, 2006 rent was not paid in the amount of \$1628. The statement also indicates that a \$75 charge was levied on January 2005. The applicant stated that to the best of his knowledge the charge was a penalty for late rent. A notice sent to the respondents in December, 2004 appears to confirm that the charge is a penalty for late rent. Section 41 of the *Residential Tenancies Act* prescribes an interest rate for late rent penalties. The \$75 levied is well in excess of the prescribed penalty and shall be deducted from the August, 2006 rent arrears, leaving a balance of rent arrears in the amount of \$1553.

An itemized list of repairs was provided in evidence to support the applicant's claim to repair costs of \$1303. The applicant also provided an inspection report outlining the condition of the premises at the termination of the tenancy agreement. No report was provided to indicate the condition of the premises at the commencement of the tenancy agreement. I find the charges for general cleaning and carpet cleaning to be consistent with the observations on the inspection report and find the charges reasonable. However, in my opinion, the condition of the walls noted on the condition report does not support the requirement to patch and repaint the unit. Although the inspection report states "requires cleaning and paint" for most rooms, it does not indicate any damages other than one notation of "marks". I can not determine from the evidence that the walls were damaged through the negligence of the tenant or simply needed repainting due to wear and tear. The applicant's representative did not have direct knowledge of the condition of the premises. The patching and painting costs are therefore denied. I find reasonable repair and cleaning costs to be \$408.25 calculated as follows:

General cleaning	\$150.00
Carpet cleaning	205.00
Admin	53.25
GST	<u>24.50</u>
Total	\$432.75

No evidence was presented to indicate when the premises were re-rented or if the applicant took reasonable steps to mitigate loss after the abandonment of the premises. The request for compensation for the September, 2006 rent is therefore denied as the loss of rent or the efforts to mitigate any loss have not been demonstrated.

The security deposit and accrued interest have not been taken into consideration on the applicant's statement. I find the interest on the deposit to be \$79.73. Taking into account the security deposit and interest and applying the deposit first to cleaning costs, I find rent arrears owing to the applicant in the amount of \$356.02, calculated as follows:

Security deposit	\$1550.00
Interest	79.73
Cleaning	(432.75)
Rent arrears	<u>(1553.00)</u>
Rent arrears owing applicant	\$356.02

An order shall issue requiring the respondents to pay the applicant rent arrears in the amount of \$356.02

Hal Logsdon
Rental Officer