

IN THE MATTER between **NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**, Applicant, and **ROBERT WHITFORD**, 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 **INUVIK, NT**.

BETWEEN:

NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST

Applicant/Landlord

- and -

ROBERT WHITFORD

Respondent/Tenant

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 seven hundred sixty seven dollars and twenty five cents (\$767.25).
2. Pursuant to section 45(4)(c) of the *Residential Tenancies Act*, the respondent shall pay the applicant costs for electricity which were paid on his behalf in the amount of one hundred thirty eight dollars and sixty eight cents (\$138.68).

3. Pursuant to section 62(2) of the *Residential Tenancies Act*, the respondent shall pay the applicant compensation for lost rent in the amount of one thousand one hundred dollars (\$1100.00)

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

Rental Officer

Hal Logsdon

IN THE MATTER between **NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST**, Applicant, and **ROBERT WHITFORD**, 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.

BETWEEN:

NORTHERN PROPERTY REAL ESTATE INVESTMENT TRUST

Applicant/Landlord

-and-

ROBERT WHITFORD

Respondent/Tenant

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 23, 2007

REASONS FOR DECISION

The respondent was served with a Notice of Attendance sent by registered mail to the rental premises which was the last known address of the respondent. The respondent failed to appear at the hearing and the hearing was held in his absence.

The applicant testified that the respondent abandoned the rental premises in September, 2006. The applicant retained the security deposit, applying it against rent arrears, cleaning costs, the cost of electricity and compensation for lost rent. The applicant provided a statement of account and a security deposit statement which indicated a balance owing to the applicant in the amount of \$2274.37. The applicant sought an order requiring the respondent to pay that amount.

I find the statement of account to be in order to September 5, 2006 and find rent arrears in the amount of \$1125.

The applicant testified that the apartment was not left in a clean condition and provided an inspection report and itemized list of cleaning charges in evidence. The inspection report supports the need for general cleaning and carpet cleaning and I find the total costs of \$780.16 to be reasonable.

The applicant testified that the respondent failed to pay for the full amount of electricity charges during the term of the tenancy agreement and that electrical charges of \$138.68 were paid on his behalf to avoid disconnection. A statement of the arrears from the electrical supplier indicating the amount overdue was provided in evidence. The tenancy agreement between the parties obligated the respondent to pay for electricity during the term of the tenancy.

On the statement of account, and the security deposit statement, the applicant has applied a 15% administration charge to the balance owing. While this charge is reasonable to apply to repairs or cleaning, it can not be applied to rent arrears as it is far in excess of the penalty for late rent prescribed in section 41 of the Act. Therefore, the administration charge on rent is denied.

The applicant has also charges the Goods and Services Tax of 6% on the balance owing. While the GST may be charged on repairs and cleaning, residential rent is exempt from the tax. Therefore the GST charge on rent is denied.

The tenancy agreement was made for a term which expired on October 31, 2006. The applicant testified that he was unable to re-rent the apartment in October and sought compensation for that month's rent of \$1100. I am satisfied that the applicant took reasonable steps to mitigate his loss and find compensation for the October, 2006 rent to be reasonable.

I find the respondent in breach of his obligation to pay rent and electricity. I find the respondent abandoned the premises and failed to leave them in a clean condition. Applying the security deposit first to cleaning costs I find rent arrears due to the applicant in the amount of \$767.25, calculated as follows:

Security deposit	\$1100.00
Interest	37.91
Cleaning and Carpet cleaning	(780.16)
Rent arrears	<u>(1125.00)</u>
Rent arrears owing applicant	\$767.25

An order shall issue requiring the respondent to pay the applicant rent arrears in the amount of \$767.25, electrical costs in the amount of \$138.68 and compensation for lost rent in the amount of \$1100.

Hal Logsdon
Rental Officer